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ABSTRACT

This document contains (1) a 48-State summary of school district organizational development, 1932-1968; (2) a review of the literature concerning local district organization, equalization of educational expenditures, and the intermediate unit; (3) the findings and analyses regarding interaction between fiscal conditions and school district reorganization in a sample of 16 States; and (4) the generalizations to State finance models. Appendixes list project personnel, sampling procedures, and statistical data. Research for this document was funded under Title V of ESEA. (Related documents are EA 003 123 and EA 003 193.) (Author/LLR)

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# The Relationship of School District Reorganization to State Aid Distribution Systems

## Part II
## Generalizations to State Finance Models

Clifford P. Hooker and Van D. Mueller

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NATIONAL EDUCATIONAL FINANCE PROJECT
Special Study No. 11

ED0 46071

# THE RELATIONSHIP OF SCHOOL DISTRICT ORGANIZATION TO STATE AID DISTRIBUTION SYSTEMS

## PART II: GENERALIZATIONS TO STATE FINANCE MODELS

Clifford P. Hooker, Director and
Van D. Mueller, Associate Director

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1970

EDUCATIONAL RESEARCH AND DEVELOPMENT COUNCIL OF
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MINNEAPOLIS, MINNESOTA

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# FOREWORD

The National Educational Finance Project (NEFP) is a cooperative endeavor, funded principally under Title V, Section 505, of the Elementary and Secondary Education Act, involving state departments of education, universities and the United States Office of Education in the study of contemporary problems in financing education. The project represents the first systematic effort to study comprehensively all state systems of school finance and to critique them in the light of current educational needs and trends. The project is designed to accomplish three major objectives: (1) identify, measure and interpret deviations in educational needs among children, school districts and states; (2) relate variations in educational needs to the ability of the school district and state to finance appropriate educational programs; and (3) conceptualize various models of school finance and subject them to consequential analysis to identify the strengths and weaknessess of each model.

To accomplish the comprehensive project objectives eleven special projects were developed and conducted by university-based school finance consultants. The special project, "The Relationship of School District Organization To State Aid Distribution Systems," was directed by Clifford P. Hooker and conducted under contract between the Florida State Department of Education (National Educational Finance Project) and the Educational Research and Development Council of the Twin Cities Metropolitan Area, Inc.

The findings and recommendations of the fourteen month study are contained in a two-part report. Part I, entitled "Patterns of School District Organization," contains basic documentation concerning the impact of school district organization on state support programs. In part II, "Generalization to State Finance Models," is found a 48-state summary of school district organizational development (1932-1968). In addition, Part II contains a review of the literature concerning local district organization, equalization of educational expenditures and the intermediate unit. Further, the second report contains findings and analyses regarding the interaction between fiscal conditions and school district reorganization in a sample of sixteen states. In the final section of the report, Part II, generalizations to state finance models are presented.

The contributions of many people were significant in the completion of this study. The contact person in each of the state education agencies provided valuable assistance in collecting and refining the data base. In addition, many other members of the state agencies, in the sixteen sample states in particular, gave of their time and energies during the visits of members of the project staff. Their assistance and willingness to share their knowledge of the systems, problems and attempts at solutions within their own states provided valuable input to the study. A list of the primary contact person in each state is included in Appendix B.

Research assistants were invaluable in the data gathering analysis and in the day-to-day work which makes a research effort possible. In this respective we recognize the efforts of John Feda, James Lindsay, David L.

Wettergren and John Young. Appreciation is extended to Dr. Thomas Stark and the staff and members of the Educational Research and Development Council of the Twin Cities Metropolitan Area, Inc. for their sponorship and support throughout the fourteen-month study period. We are indebted to Helen Warhol and Thresia Moen who served as secretaries to the project staff throughout the study and in the preparation of the final manuscripts.

In addition to the above individuals, a number of other persons contributed directly to the data collection and content of the reports. The comprehensive character of the study reports is a direct result of the fine cooperation of the many persons concerned with solving the organizational and fiscal problems of our state educational systems. The authors, however, assume full responsibility for the completeness and accuracy of the data and interpretations presented.

Minneapolis, Minnesota
Spring, 1970

Clifford P. Hooker
Project Director

Van D. Mueller
Associate Director

# CHAPTER I

# INTRODUCTION

## Background of the Study

The constitutions in all states contain language to the effect that the legislature has the responsibility for maintaining a thorough and efficient system of public education free to all young people within certain age limits. In fulfilling this obligation, legislatures have generally enacted statutes to permit the formation and reorganization of local school units. While most of the responsibilities for operating the schools have been delegated to these local units, legally public education remains a function of the state. Moreover, the United States Supreme Court in Brown v Board of Education[1] held that educational opportunity within a state must be made available to all on equal terms.

State provisions for education generally fall far short of this goal. Scarce state resources and faulty state aid distribution systems account for much of the observed disparity in educational opportunity within states. Likewise, an inadequate local school district structure contributes to the problem. The condition is often characterized by an overabundance of districts, many of which have limited resources and miniscule school populations. Other districts have been gerrymandered to create islands of tax privilege for some, while leaving swamps of squalor for their neighbors. Joel S. Berke observed the current fiscal conditions of American schools and wrote:

> Raising adequate revenues for the support of education is a threatening problem in a large proportion of the nation's school systems. There are, of course, exceptions: a limited number of enclaves with high nonresidential taxable resources relative to the number of school children; some very wealthy suburban communities with high levels of residential property, income, and educational expectations; and some rural districts with stable or declining populations and relatively minimal educational demands. But in most cities, suburbs, and predominantly rural areas heightened demand for educational services and salaries on the part of professionals and concerned parents are running head-on into local taxpayer revolts, state economy drives, and a pause in increased federal spending. In many areas of the country, we find that school shutdowns, the elimination of special projects, and increasing average class size are being seriously discussed as necessary steps in the fact of fiscal crises.[2]

Also, the flight of the more prosperous urban dwellers to the affluent suburbs and a subsequent tightening of lines between the central city and its suburbs have introduced social, economic, and racial stratification as well as geographic separation. On the basis of a comprehensive study in Michigan Guthrie concludes:

> Societies which have persisted longest throughout history appear to be those which have avoided vast social and economic differences among major segments of their populations. Clearly, the relative success of the United States in avoiding such extremes has been fostered significantly by the past successes of our schools. Today, however, because of a shortage of resources and an inappropriate distribution of the resources which are available, schools are no longer so successful. The preservation of equal opportunity and the reality of an open society wherein individuals rise or fall in accord with their interests and abilities demands a restructuring of present arrangements for the support and provision of school services.[3]

Equality of education is more a myth than a reality in many areas of the nation in 1970.

The legislatures in the several states are confronted with perplexing problems as they seek to satisfy constitutional mandates and court decrees relative to good schools for all. Three options seem to offer some promise. The states can direct more resources to the school districts with the greatest need; establish regional or intermediate districts to collect and distribute taxes to local operating districts; and create a more efficient school district organization through legislative fiat.

Twenty-four states have adopted legislation forcing the abolition of certain types of school districts.[4] However, political considerations have often deterred legislatures from bold action to reorganize schools. A few states have attempted to manipulate school aids in a fashion to encourage local districts to form stronger units through consolidation. Also, several states are experimenting with regional approaches which are calculated to equalize tax levies and the quality of schools in multi-county areas.[5] The conditions which contribute to the success or failure of all these efforts are not understood because there is a paucity of empirical research evidence to guide the decision-makers.

Opposing forces appear to be operating in the area of school district reorganization. Concern for economical school operation has been a prime consideration in the move to develop more effective school district organizations in many states. At the same time, legislatures in some states have increased state levels of school support under conditions that have subsidized ineffective and inefficient administrative units.[6] Likewise, state aids in metropolitan areas virtually insure a separate and unequal existence for cities and suburbs.

State aid formulas are political responses to educational needs and may be classified as neutral, favorable, or negative with regard to school district reorganization. These responses are often generated without adequate theoretical and policy frameworks derived from empirical research. There is a dearth of research findings in the literature dealing with this problem. More knowledge is needed to develop conceptual models for the distribution of the resources allocated to education in order to relate the educational institution to the emerging patterns of contemporary society.[7]

There is a conspicuous absence of reported research relative to the relationship between state aid distribution systems and school district organization. This is strange because many experts in school finance have noted that such a relationship does exist. However, there are no studies which have attempted to measure this relationship. Therefore all of the knowledge is purely speculative. This may be true because only a few states have made direct grants to encourage the adoption of district organization plans. Moreover, the amount of money provided through incentive aids typically is very small when compared to the amount of money distributed through the general state support program. Few of the states have adopted financial penalties; that is, deny some state monies to districts for failing to reorganize. Moreover, many states have provisions in the law which may actually discourage school district reorganization. These provisions take many forms. The most common one is a reduction in state aids to one or more partners in the reorganization with less aid available to the new district than is now being paid to the several separate districts. Another example pertains to a limitation on bonding capacity in the new district. Also, some states have included sparsity factors in their state aid formulas which encourage the continuation of small inefficient districts.

Therefore, the research reported in Parts I and II of this study is unique. It contains a study of those elements in state aid distribution systems which encourage or retard the reorganization of school districts. The need for such reorganization is widespread and continuing. The shift in population, change in economic factors, and technological advances urge that the organization for education respond to contemporary conditions.

## Purposes of the Study

The study has two major purposes. The objectives of the special project, as stated in the research contract, appear below:

1. Investigate the relationship of state school aids to local school district organization.

2. Examine the financing of regional or intermediate units.

In addition, several minor purposes of the study were enumerated in the research proposal. They were stated in question form, as follows:

1. To what extent has school district reorganization reduced variations in tax-paying ability and expenditure per pupil within states?

2. Has school district reorganization introduced greater stability and equity into tax structures?

3. At what level of state support for education does the greatest amount of school district reorganization tend to take place? (This level may be expressed in a ratio to per pupil expenditure.)

4. What types of special incentive aids are associated with the greatest amount of school district reorganization?

5. At what support levels must incentive aids operate in order to yield the greatest amount of reorganization activity among local districts?

6. What factors in the state aid distribution system retard school district reorganization?

7. What factors in state aid distribution plans discourage the consolidation of central city and suburban school districts?

8. What legal provisions are associated with the greatest amount of school district reorganization?

9. How do state aid systems relate to the trend toward decentralization of policy-making in large cities?

10. What is the potential for utilizing intermediate or regional units to collect and distribute local taxes?

The primary thesis of this study is that an understanding of the relationship of school district reorganization to state aid distribution systems will provide a needed input to Phase IV of the National Educational Finance Project which proposes to design model programs of school support.

## School District Organization Defined

Education is recognized as a function of the state. As a result, state legislatures, subject to constitutional provisions, have the authority to establish, maintain, and regulate schools. Thus the legal powers held by school districts are those delegated to them by the state. School districts are purely creatures of the state and as such have no inherent powers. They may be created or abolished and their powers may be increased or diminished at the will of the state.

The legal restructuring of school districts is referred to as school district reorganization. Such restructuring normally involves the combining of one or more school districts into a single larger administrative unit. However, the division of existing districts, such as large cities or counties, into smaller administrative units is also a type of school district reorganization. This type of reorganization, which creates additional school districts rather than abolishing existing ones, should not be confused with the internal modification of administrative organizations. Several large school systems have moved toward such internal modification or "decentralization." However, the units created by this process have no state delegated powers. Therefore, this type of internal restructuring can logically be described as administrative procedure, rather than school district reorganization.

The creation of new or the modification of existing intermediate or regional units with state delegated powers which are held jointly or shared with local school districts represents still another form of school district reorganization. The reorganization in this instance may represent a change in the physical boundaries of the unit or it may refer to a redistribution of powers between regional units and local school districts. An example of the latter is a transfer of taxing authority from local school districts to intermediate units to achieve a greater degree of equalization of tax effort. This form of reorganization may be combined with the division of large existing school districts into smaller units.[8] Such proposals have been advanced as partial solutions to the problems besetting urban schools.

The dimension and breadth of school district reorganization is truly enormous. Fitzwater[9] and other authors have identified all of the following types of school district reorganization which are occurring simultaneously in the United States:

1. Continued progress in eliminating non-operating districts.
2. The requirement in an increasing number of states that all reorganized districts be unified (organized to operate both elementary and high schools); a related requirement is that territory of the state be in a district maintaining a high school.
3. The inclusion of more than one small high school district in a reorganized district.
4. The merging of previously established small reorganized units into enlarged reorganized units, in other words reorganizing the reorganizations.
5. The merger of small or medium-sized city districts with the open county districts surrounding them.
6. Merging all or nearly all of the territory of a county into a single administrative unit.
7. The formation of large suburban districts adjoining major cities.
8. The merger of independent city districts and adjoining county school districts.
9. The formation of separately organized regional high school districts embracing the territory of several town (or township) school districts has been a developing trend in some New England states and in New Jersey.
10. The creation of intermediate or regional units with state delegated powers.

11. The devision of large city districts into smaller units.
12. The gradual elimination of the office of county superintendent of schools.

## Research Procedure and Conduct of the Study

The procedure established and executed on this research project generated knowledge about the relationship of state financial aid programs and school district reorganization as outlined below:

1. Identified on the basis of a survey of the 48 contiguous state support provisions concerning school district reorganization and other provisions in the law which affect school district reorganization;[10]
2. Utilized data derived from the above survey, selected a sample of states which presented a range of situations which may have had impact upon school district organization.[11] Among the criteria for selection of states included in the sample are:
    a) Fiscal provisions for school district reorganization,
    b) Fiscal capacity of school districts within states,
    c) Sparsity and density of population,
    d) Number of school districts,
    e) Historical development of school district organization in the state,
    f) Geographical and topographical considerations, and
    g) Regional concepts of local control of education.
3. Obtained the following data in the selected sample of states.
    a) Level of expenditure per pupil from 1948-1968.[12] Expenditures were categorized by fund, type and by size of districts. Fund types include maintenance, capital outlay, and debt service.
    b) Level of state support for education in the districts. Aids applicable to the funds listed above were utilized. Correction aid for sparsity and premium aid for reorganization was of special interest.
    c) Nature of the aid distribution formulas legislated during the 20-year period and the years they were put into effect. The elements of the formulas were categorized by the fund types identified above.
    d) Local school tax rates in the districts for the 1967-68 period.
    e) Progress of school district reorganization including the number of districts of various types by year during the period.
    f) The statutes pertaining to intermediate districts were acquired. The amount of state and local funds received and distributed by the intermediate units was obtained.
    g) The statutes pertaining to reorganization were obtained. Also, related statutes which deter or encourage the consolidation of urban and suburban districts in metropolitan areas were examined. These statutes pertained to teacher retirement, tenure, and certification systems.

4. Analyzed the data collected to enable comparisons over time among educational expenditure levels of state support, local property, tax rates, amount and type of incentive aids, incidence of factors in the state aid formula which deter school district reorganization, and changes in the number of school districts.

Overview of "Generalization to State Finance Models"

The chapters which follow are primarily devoted to a systematic examination of the study's ten research questions in the context of the general data base presented in Part I "Patterns of School District Organization."

Chapter I, "Introduction" introduces the problem and stresses the importance and timeliness of research concerned with the relationship of school district organization to state aid distribution systems. The analytical design and study procedures are briefly described, and an operational definition of school district organization is presented.

Chapter II is devoted to a state-by-state description of local school district governmental arrangements, legal bases and trends in number of districts by type during the period 1932-1968. Included in the state profiles is identification of pertinent legislation along a time line.

A review and analysis of the literature is presented in Chapter III. The focal points are the process of school district reorganization and the implications of state finance programs and incentive aids, the implications of equalization of expenditures, for education, and the regional approach to taxation of property for financial support of local school districts.

Chapter IV examines the relationship of state school aids to local school district organization. The findings and analyses from the selected sample of sixteen states are described in terms of the study's major research questions. The chapter analyzes the differences in how legislation and finance features encourage or discourage reorganization and concludes with presentation of analyses. Included are the results of model development and testing.

Alternative regional property taxation plans are analyzed in Chapter V. The findings from the application of seven alternative taxation Models to each of the forty-eight sample regions are presented. The equalization effects of each plan are reviewed according to their impact on fiscal disparity of the local school districts within the respective regions.

Chapter VI, the concluding chapter in this volume, opens with the presentation of conclusions drawn from the findings presented in Chapter IV and V, proceeds to generalizations to state finance models and concludes with a statement of needed additional research.

The information contained in Appendix E provides additional sixteen-state statistical data, correlation coefficient matrices on school district size and selected fiscal variables, and summary data on state aid distribution systems. The contents of Appendix D provides a detailed description of the sampling criteria utilized in the study and a summary of the sampling plan for selection of local school districts and regional units. Other appendices provide lists of cooperating states and National Educational Finance Project personnel, a listing of state education agency cooperating personnel and a description of the special project staff.

A glossary of terms and list of selected bibilographical references are also included.

## SUMMARY

The analyses and model derivations reported in this volume (Part II: Generalizations to State Finance Models) are based on basic data reported in Part I: Patterns of School District Organization, in addition to the related information from states, regional units, and local school districts in the sample. The two-part report of this systematic examination of the relationship of state school support to local school district organization and the examination of the financing of education on a regional or intermediate unit basis is designed to provide new perspectives for solving the problems of inequality. The restructuring of present arrangements for the organization and financial support of school services is a goal worthy of the professional educator and policy-maker alike. The information derived from this research study will hopefully contribute to an increased rationality in considering the general need for change.

# CHAPTER I

## FOOTNOTES

[1] Brown v. Board of Education of Topeka, 347 U.S. 483, 493, (1954).

[2] Joel S. Berke, The Impact of Present Patterns of Funding Education for Urban Schools, mimeographed paper presented at 13th National Conference on School Finance (April 1970) p. 1.

[3] James W. Guthrie, et al. Schools and Inequality, a report of a Michigan Research Study published by the Urban Coalition, 1969, pp. 251-52.

[4] See Clifford P. Hooker and Van D. Mueller, "Organizing for Local School Districts," The Relationship of School District Reorganization to State Aid Distribution Systems - Part I: Patterns of School District Organization. National Educational Finance Project Special Study No. 11, 1970.

[5] Ibid, Chapter III.

[6] Ibid, Chapter IV.

[7] For further elaboration on emerging concepts of state school support see J. Alan Thomas, Robert Jewell, and Arthur E. Wise, Full State Funding of Schools, a mimeographed paper prepared for the Education Commissions of the States, March, 1970.

[8] For a treatise on this topic see Clifford P. Hooker and Van D. Mueller, Equal Treatment to Equals--A New Structure for Public Schools in the Kansas City and St. Louis Metropolitan Areas, A Report to the Missouri School District Reorganization Commission, June 1969.

[9] C. O. Fitzwater, State School System Development (Denver: Education Commission of States, 1968) pp. 20-21.

[10] Hooker and Mueller, op. cit. The Relationship of School District Reorganization to State Aid Distribution Systems - Part I: Patterns of School District Organization.

[11] See Appendix D for detailed treatment of sampling design and listing of state, regional, and local district stratification pattern.

[12] See Appendix E for summary of data by state and type of local district.

# CHAPTER II

# STATE PROFILES

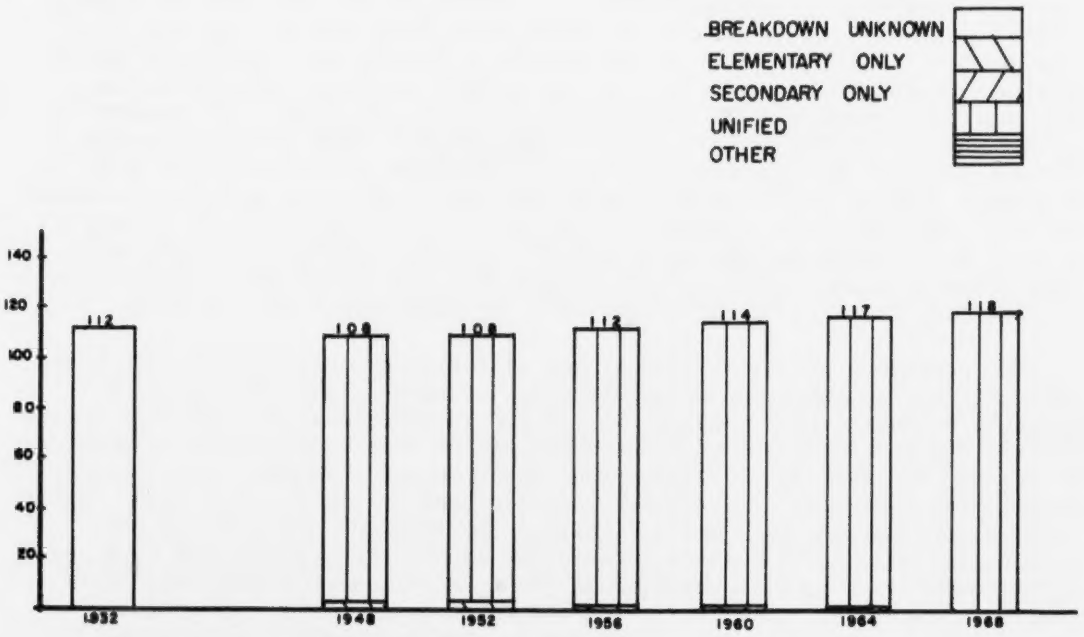
## Introduction

During the twenty year range of interest for this study, most states have experienced a decrease in the number of school districts. This can be expected, as in the period 1948-68, approximately 90,000 school districts have disappeared on a national level. In those states that have not experienced a reduction in the number of school districts, one is likely to find some type of county unit, or in the case of a few smaller states, an actual increase in districts resulting from an attempt to impose cooperative or regional units on the basic local school district structure. In Chapter IV and Chapter VI of this volume, it is suggested that only occasionally has it been a single legislative provision or financial feature, unless of a mandatory nature, that is given credit for providing major impetus for school district reorganization. More often it has been a combination of factors or a total legislative package that has been assembled which encourages reorganization activity. Also, it is evident that similar pieces of legislation or financial features do not always have the same impact in each state.

To provide a visual display of how different types of legislation have been utilized to encourage school district reorganization, this chapter presents a longitudinal profile and descriptive narrative for the time period 1948-68 for the forty-eight states described as being contiguous. Alaska and Hawaii are excluded due to limitations involved in developing a twenty-year profile for these two states which were admitted to the Union in 1959. Basic statistical data was just not available. The longitudinal profiles and accompaning narratives contain information on the reduction of the type and total number of school districts over the time period of this study. Percentage reduction is noted and discussed where appropriate. In addition, information is presented on a chronological basis regarding legislation adopted that pertains to school district reorganization. Where necessary, pre-1948 data is cited to establish continuity and provide the groundwork for understanding subsequent legislation. The profiles were not developed to demonstrate a "cause and effect" relationship between the legislative variables and reduction of school districts, but rather to graphically display the legislation that was present during times of reorganization activity.

The basic procedure for developing these profiles was to use the state legislative descriptions presented in Chapter II, Part I of this publication in conjunction with the Basic Statistical Profiles contained in Appendix E, Part I.

# ALABAMA


1927
County
Boards

1959
School systems
within county
systems

In 1949 Alabama had 108 school districts in the state. By the fall of 1968 this number had changed to 120, an increase of 12.

Provisions for the consolidation of schools can be found as early as 1927 when the responsibility for the administration and supervision of all public schools in the state was vested in county boards of education under direction of the state board of education. County superintendents could recommend the consolidation of schools within the county.

The number of districts has shown a slight increase over the years. After 1959 legislation providing the legal basis for the organization of a school system within the prescribed basic county board system, but separate and apart from any legal upper echelon school authority Alabama has had an increase in approximately 8 districts.

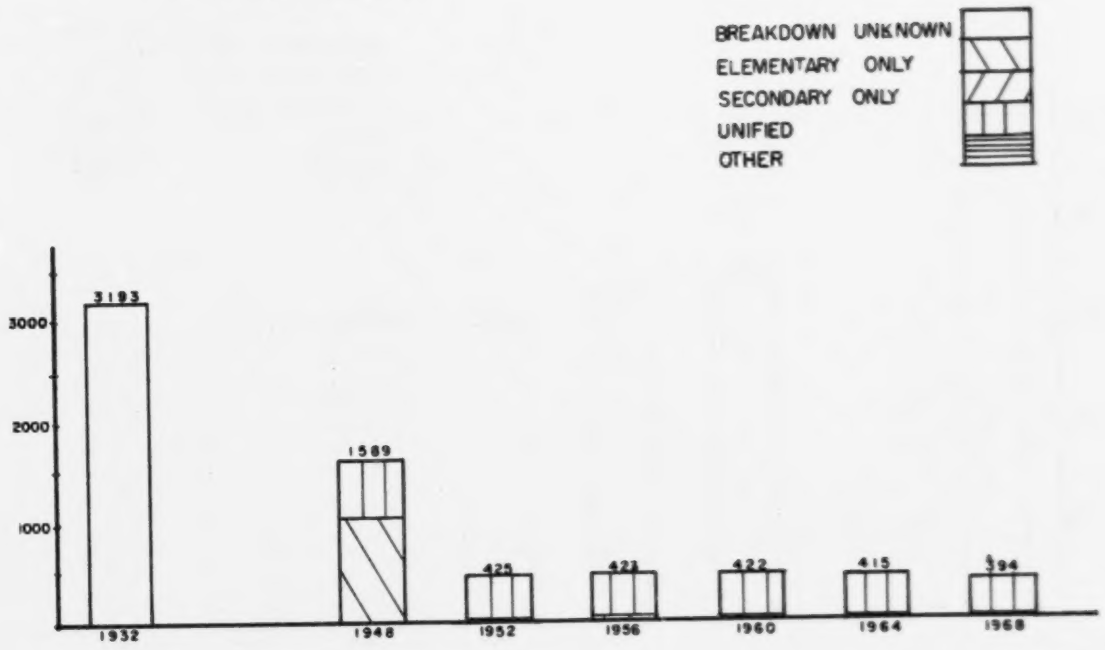
# ARKANSAS

1943
Organization legislation clarifying procedures regarding alteration of school districts.

1947
Provisions for dissolution and annexation of school districts after an election is held.

1950
United county school district

1969
Financial incentive for reorganization as well as mandatory requirements.



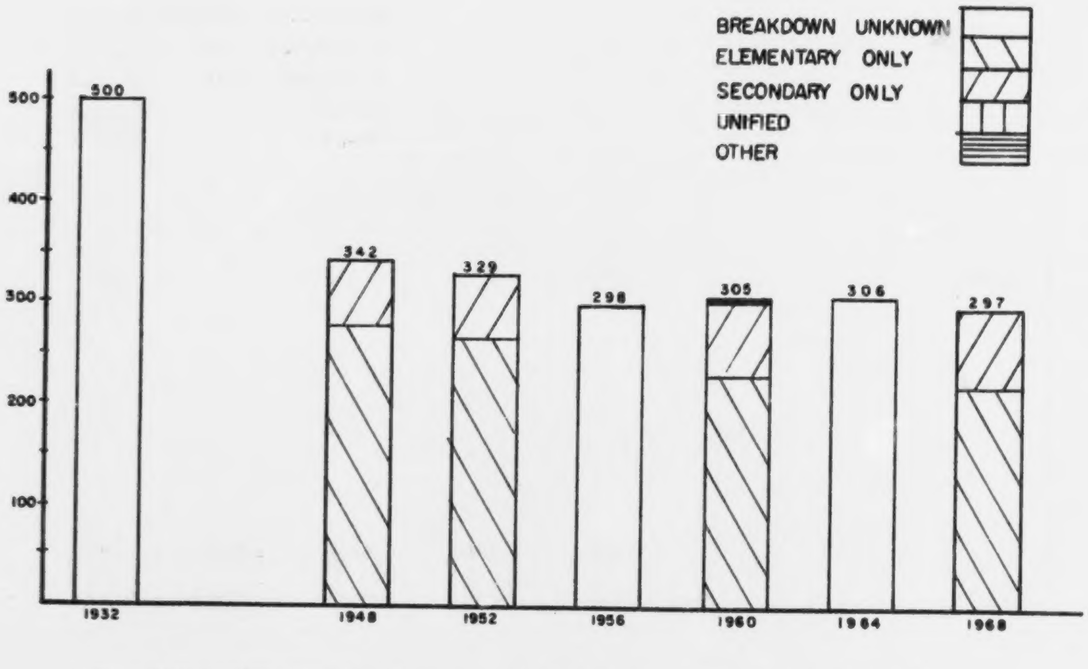
The major thrust toward school district organization occurred in Arkansas between 1943 and 1951. In 1944 Arkansas had 2,451 school districts whereas the 1951 total was down to 425.

During this period of time three major pieces of legislation were passed that seemed to have an impact on reorganization. In 1943 an act was passed clarifying some of the basic procedural problems regarding alteration of school district boundaries. In 1947 the legislature amended the state statutes to include provisions for dissolution and annexation of school districts within the county after an election is held. In 1950 the legislature provided for the creation in each county of a united school district composed of all school districts within the county having less than 350 students.

Between 1951 and 1968 the number of school districts gradually decreased from 425 to 394. In 1969 legislation was enacted incorporating financial incentives with mandatory features to encourage school district reorganization. It is too early to judge the impact of this law.

# ARIZONA

Basic
Law Pre-1948
and has remained
the same



From 1948 to 1968 there have been no major legislative enactments that have had a major impact on school district reorganization. The district had been established as the basic unit for school administration before the period of this study and remains so to the present day.

There were 342 school districts in Arizona in 1948. Over the past twenty years 45 districts have gradually been eliminated resulting in the present 297 total.

# CALIFORNIA

**1945**
**Optional Reorganization Act. Established a state reorganization commission.**

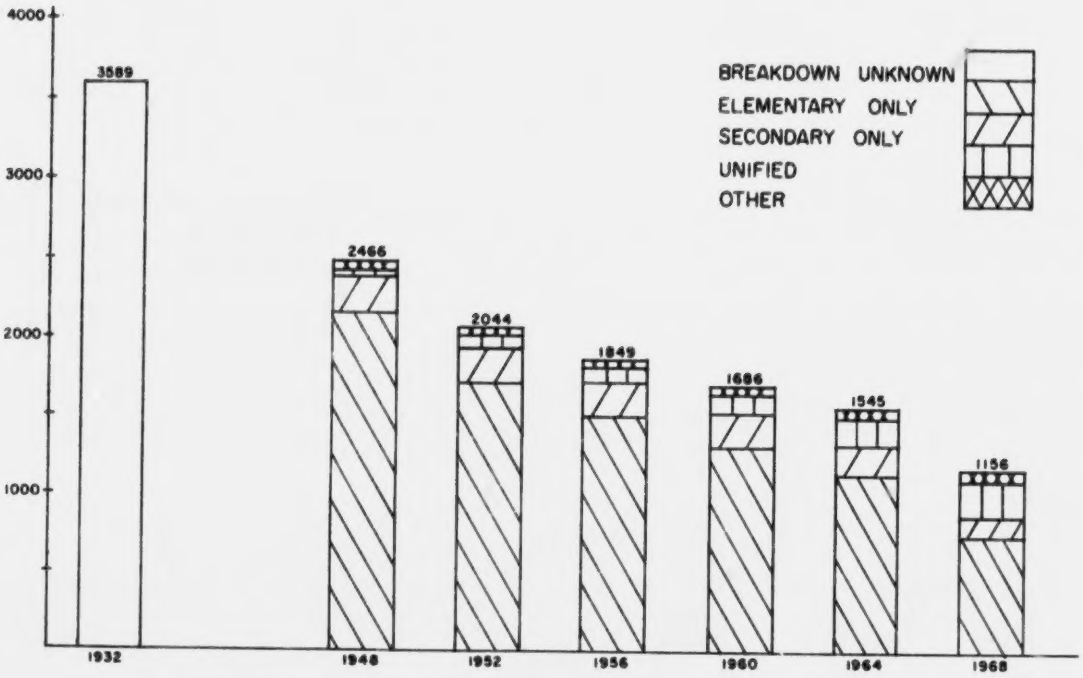
**1947**
**Expansion of 1945 legislation.**

**1949**
**Increased role of state board of education.**

**1951**
**Optional reorganization Plan- Changes in finance program and transportation aids.**

**1959**
**Master plans for reorganization were required.**

**1964**
**Financial incentives for reorganized districts.**



In 1945 an act titled "Optional Reorganization of School Districts by Electors" provided a practical means for the first time in the state's history for forming unified districts and can be pointed to as a significant piece of legislation for a change in the number of school districts in 1945-46 of 2,568 to a 1954-55 total of 1,934, a reduction of almost one-fourth. Between 1948 and 1956 approximately 650 non-operating and elementary school districts were eliminated. A State Commission on School Districts, Regional Planning Commissions, and Local Survey Committees were established to formulate plans and recommendations for unification or other reorganization of school districts. In 1947 this legislation was expanded upon by removing some restrictive voting requirements and giving more power to the local survey committees.

In 1949 another series of amendments were added to the 1945 statute. The 1945 State Commission was dissolved and its power transferred to the State Board of Education. Another significant amendment at this time was the mandatory establishment of a school district reorganization committee in every county except San Francisco. In 1951 legislation provided an optional reorganization plan along with setting forth basic changes in the Equalization Aid and Transportation Aid Program.

In 1959 master plans for reorganization were required to be submitted by county committees no later than September 15, 1963. These plans were concerned with school district organization within the county. From 1960 to 1964 the number of school districts dropped from 1,686 to 1,545. During the same period of time districts with elementary schools only decreased by close to 300 while districts containing both elementary and secondary schools increased by forty-nine. This would seem to indicate action on the part of the county committees. The 1964 legislature provided some incentive funds for those districts that had reorganized or would agree to do so. The provision increased the foundation program for more efficiently organized districts. In 1966 the number of districts had decreased from 1,536 in 1964, to a total of 1,357.

Through basically permissive legislation the number of school districts in California has dropped from 2,554 in 1945-46 to a 1968 total of 1,138. Between 1948- 46 to a 1968 total of 1,138. Between 1948-68 the number of non-operating districts has dropped from 117 to 2; the number of elementary only districts from 2,026 to 738; the number of secondary only districts from 236 to 121; while at the same time the number of districts with only elementary and secondary schools has increased from 37 to 229.

## COLORADO

1949
State Commissioner and County Committees given initiative to develop reorganizational plans.

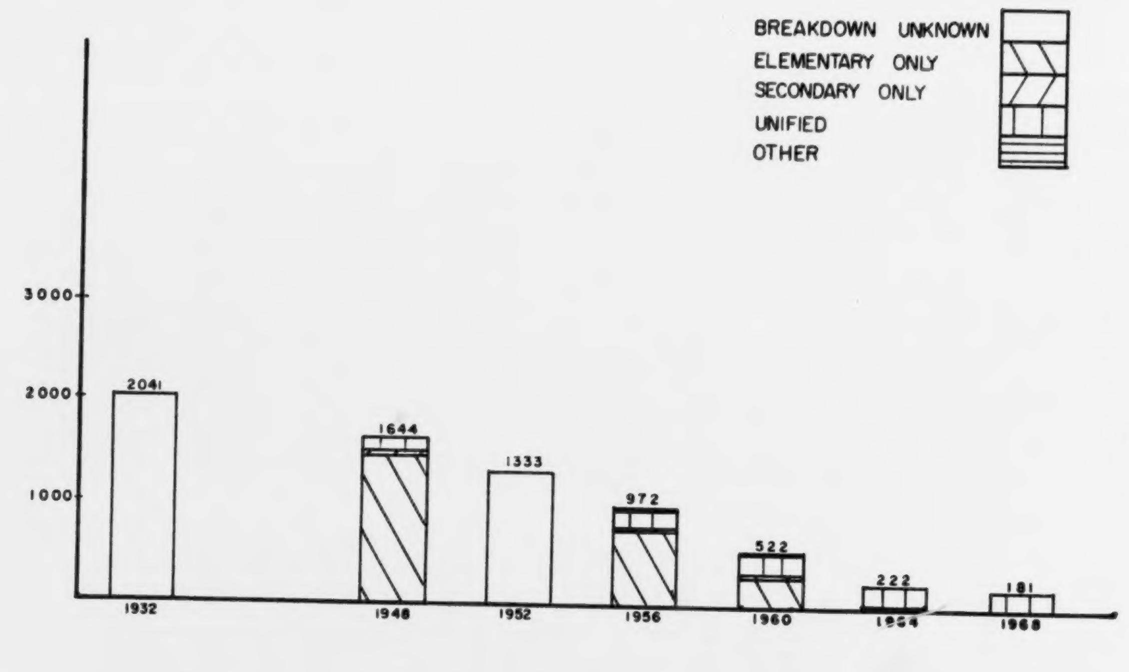
1951
Opposition to reorganization forced slow down.

1952
Distressed district aid.

1957
Reorganization encouraged by legislation calling for equalization of burdens and benefits of education. State financed planning committees.

1963
Sparsity factor in state aid program - indebtedness features revised.

1964
Mandatory features added to supplement 1957 legislation.



In 1944 Colorado had 1920 school districts. The state's first real district reorganization program was initiated in 1949 when county committees were set up to help a state commissioner in developing reorganization plans. The commissioner was given power to approve county plans and no reorganization could be brought to a vote without his consent. During the first two years after the legislation thirty-seven new districts were established but the total number was reduced by over twenty-five percent. Reorganization activity reached its peak in 1950 when twenty-nine reorganization elections out of thirty-eight were passed on favorably by the voters. Amendments were enacted in 1951 which restricted continued progress. The first series of reorganization legislation expired July 1, 1954.

In 1957 the legislature passed the District Organization Act which embodied many features of the 1949 legislation. An increase of reorganization activity followed this act as evidenced by the fact that the number of school districts dropped from 947 in 1957 to 522 in 1959. In 1963 the assumption of bonded indebtedness became a feature of reorganization legislation. The 1964 legislature provided mandatory provisions eliminating County High School Districts and their component elementary districts by February 1, 1965.

By the fall of 1968 the number of school districts in the state had dropped to 181 from a 1948 total of 1,644. All non-operating districts have been eliminated and those districts operating only elementary schools have dropped from 1,455 in 1948 to three. During this same time the number of districts operating elementary and secondary schools has increased from 141 to 178.

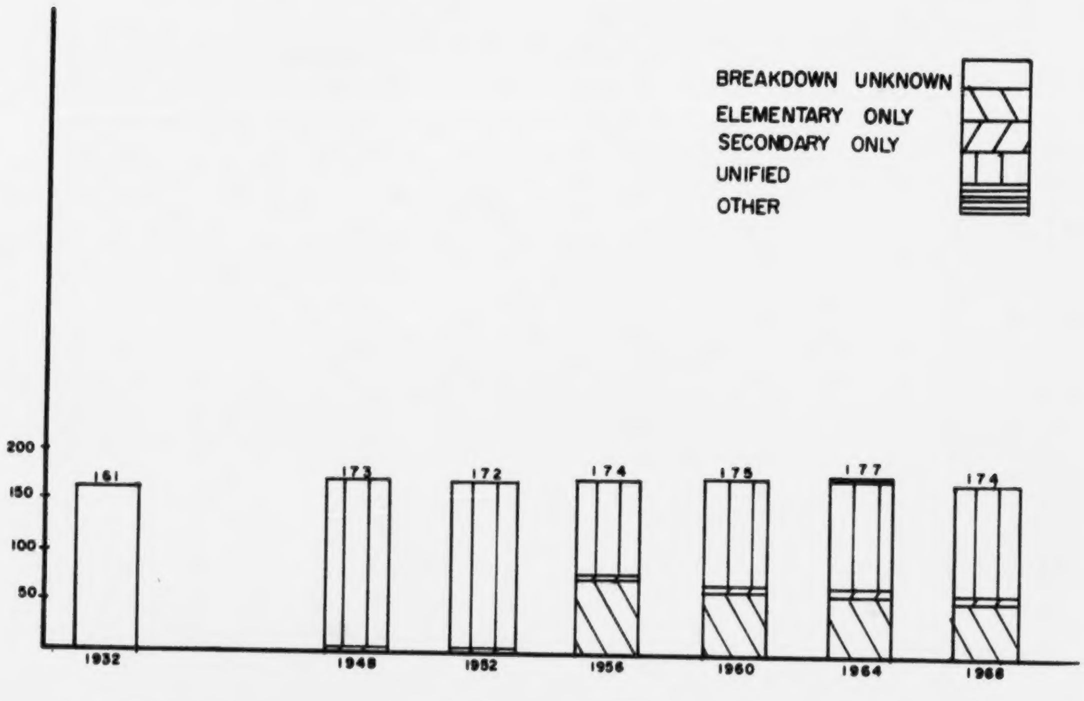
## CONNECTICUT

1949

Each town to maintain control of public schools and was to be considered a school district.

1967

Financial incentive and legislation encouraging regional districts.

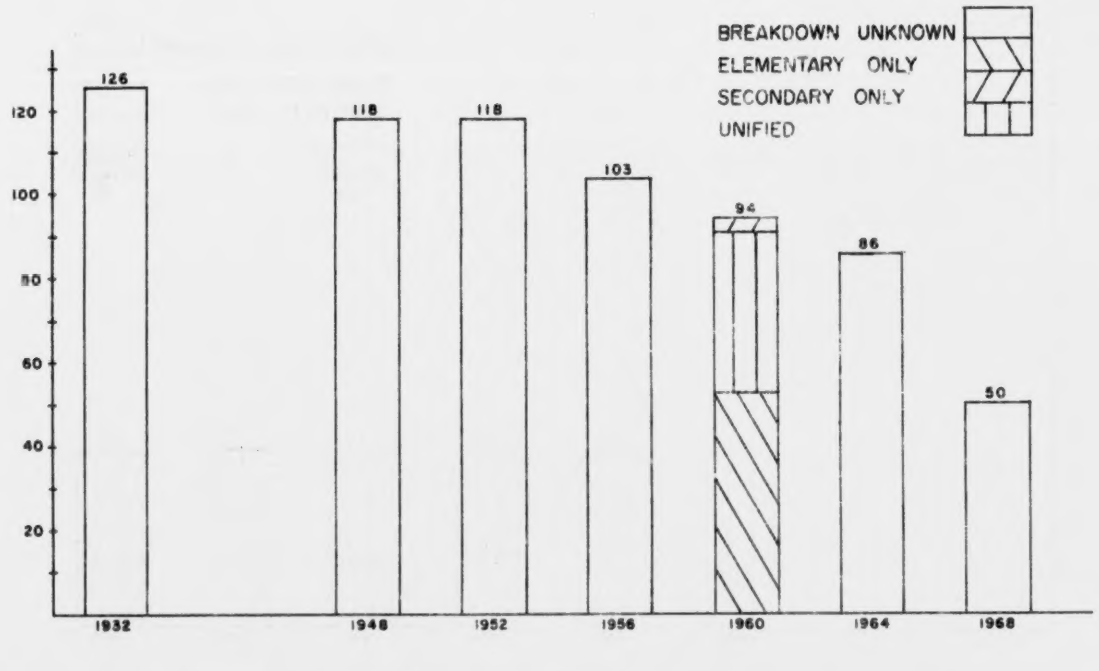


In 1949 the Connecticut legislature enacted a law stating that each town was to maintain the control of all the public schools within its limits and for this purpose was to be a school district with all the powers and purposes thereof. In reality it did not drastically alter the number of school districts but it did more clearly define the organizational structure for governing these districts.

In 1948 Connecticut had 173 school districts. As population figures have grown by almost 50 percent from 1948 to 1968 the number of districts has remained fairly constant (174 in 1969). The size of the school district has increased consistently. In 1954 for example, Connecticut had only 67 districts with over 500 enrollment while by 1968 this figure had doubled (138).

In 1967 the legislature enacted provisions including some financial incentive through the use of bonus aid and school building grants for the encouragement of regional school districts. Sine 1967 there has been an increase in four regionalized districts (k-12) in the past two years.

## DELAWARE



1921
School
district
system
established.

1951
Recommendation
of plan for
reorganization.

1965
Second major
committee
recommendation prompts
1968 mandatory
legislation.

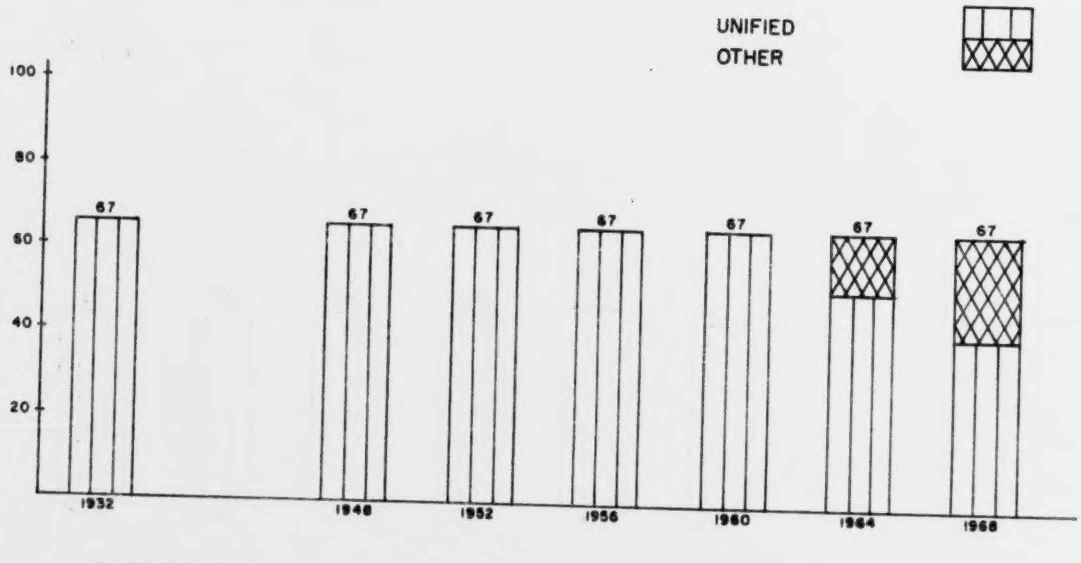
1968
Mandatory reorganization.

School district organization legislation in Delaware dates back to the early 1920's when both urban area and rural districts were established by the state legislature.

School district reorganization was discussed a number of times over the years but with virtually no legislative action resulting. In 1946 a school survey committee recommended redistricting. Their work resulted in a comprehensive study and report on reorganization that was given to the legislature in 1951. This report, which recommended drastic revisions in the existing organizational structure, did not result in any specific legislation but seemed to have had an immediate impact on the stimulation of reorganization activity. Since 1952 when the state had 118 school districts to 1968 when there were only 50 districts there has been a decrease of over 50 percent.

In 1965 the Governors Committee on Education inaugurated another study which had considerable impact on reorganization. In its report it recommended a reduction of the existing 51 districts to 25 including vocational school districts. This report provided impetus for 1968 legislation which literally replaced existing codes. By October 4, 1968 the State Board of Education was to prepare plans of reorganization for each school district. Allowing for appeal, on or before March 1, 1969 the State Board of Education was to finalize these plans and by July 1, 1969 all proposed school districts contained in the plans were to be constituted and known as reorganized school districts.

# FLORIDA



1885
Constitution of
Florida was amended
to create a county
board organization.

1968
Legislation repeals
reference to school
trustees and estab-
lishes school boards.

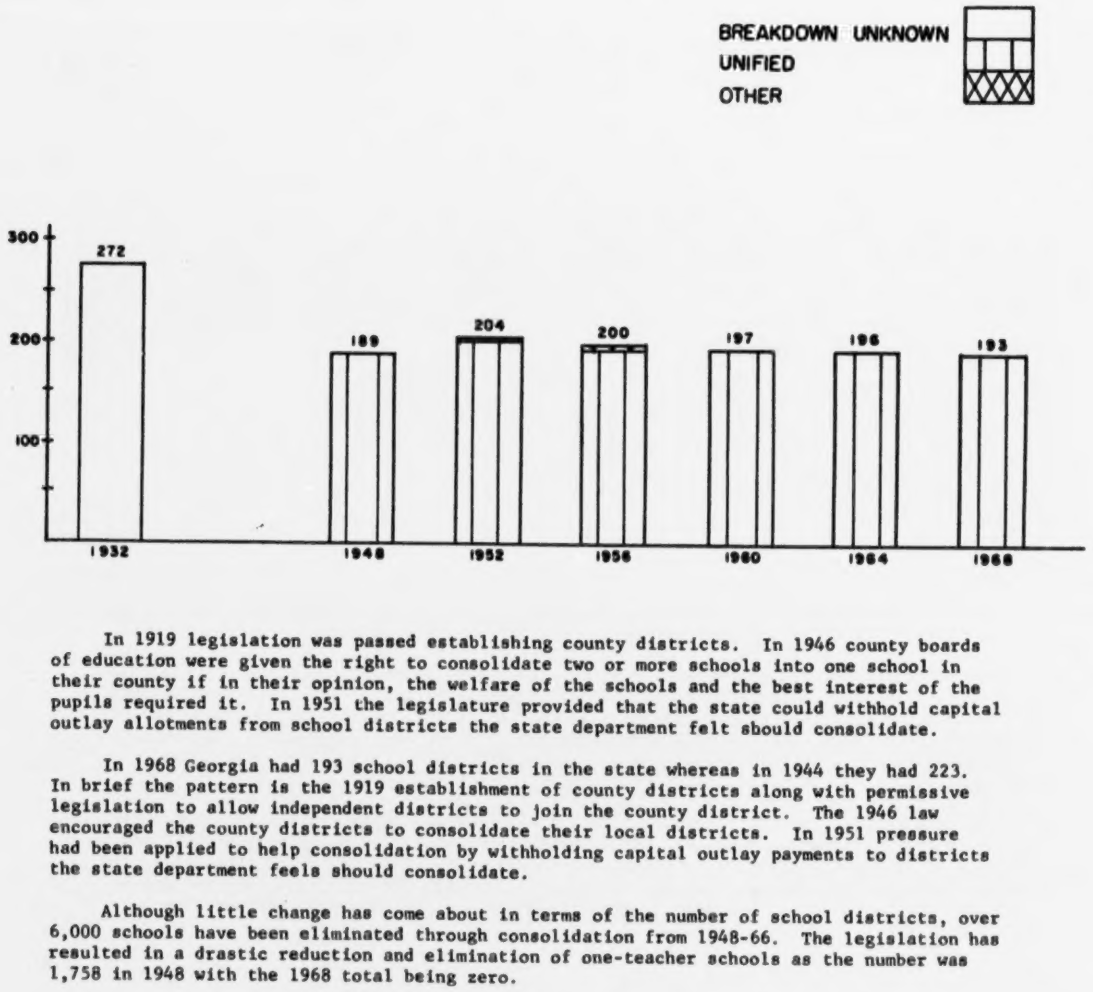
The 1885 Constitution of Florida established a county school district trustee system which was modified through a 1947 amendment creating a county board organization.

The Constitution of 1968 revised the above format by excluding reference to the district school trustees stating that each county shall constitute a school district and that two or more contiguous counties, upon vote of the electors of each county pursuant to law, may be combined into one school district. All school districts in territory not included in school districts in each county of the state shall be consolidated into one school district.

Reorganization activity in Florida has not been evident in terms of a decrease in the number of school districts. In 1947 there were 67 school districts in Florida while the 1968 figure is exactly the same. This number corresponds to the number of counties in the state. There has been activity within the county structure during this period of time as evidenced by the fact that the number of one-teacher districts has been reduced from a 1948 total of 420 to a 1968 figure of 13.

# GEORGIA

| 1946 | 1951 |
|---|---|
| County boards given right to consolidate schools in county. | Use of financial withholding to encourage consolidation. |



In 1919 legislation was passed establishing county districts. In 1946 county boards of education were given the right to consolidate two or more schools into one school in their county if in their opinion, the welfare of the schools and the best interest of the pupils required it. In 1951 the legislature provided that the state could withhold capital outlay allotments from school districts the state department felt should consolidate.

In 1968 Georgia had 193 school districts in the state whereas in 1944 they had 223. In brief the pattern is the 1919 establishment of county districts along with permissive legislation to allow independent districts to join the county district. The 1946 law encouraged the county districts to consolidate their local districts. In 1951 pressure had been applied to help consolidation by withholding capital outlay payments to districts the state department feels should consolidate.

Although little change has come about in terms of the number of school districts, over 6,000 schools have been eliminated through consolidation from 1948-66. The legislation has resulted in a drastic reduction and elimination of one-teacher schools as the number was 1,758 in 1948 with the 1968 total being zero.

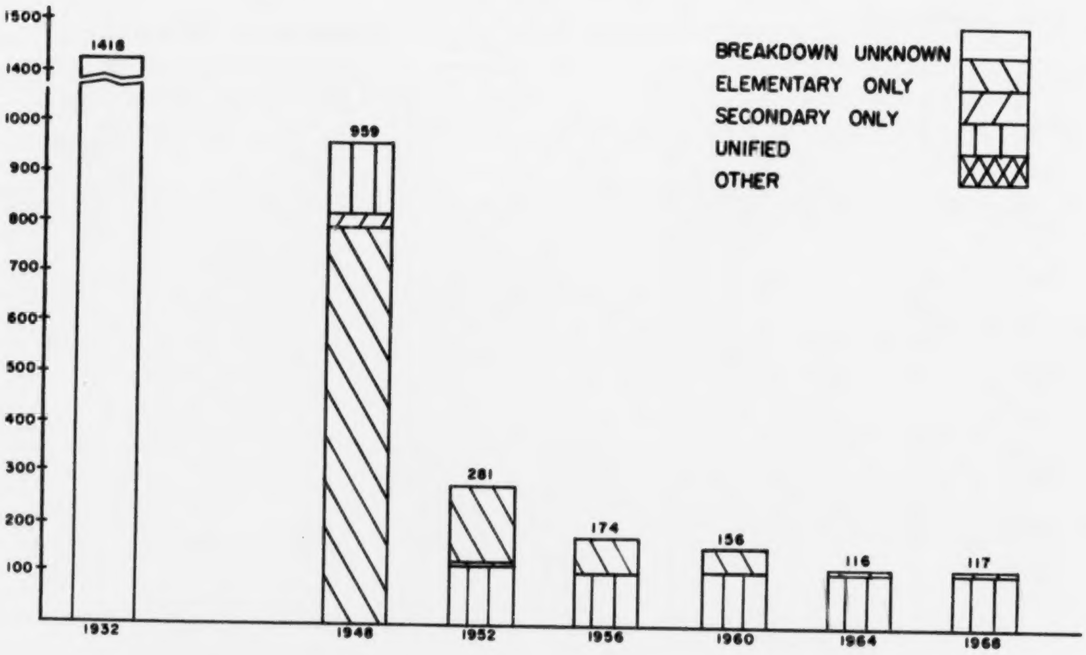
## IDAHO

1947
Peabody Survey
State Commission and county
committee take
initiative. Reorganization plans
were mandatory.

1951
Mandatory
provisions
repealed
and replaced
by petition
procedures.

1961
All areas
of state
forced to
reorganize.
County boards
abolished in
reorganized
counties.

1963
Permissive
legislation
adopted.
Lapsed
districts
abolished.

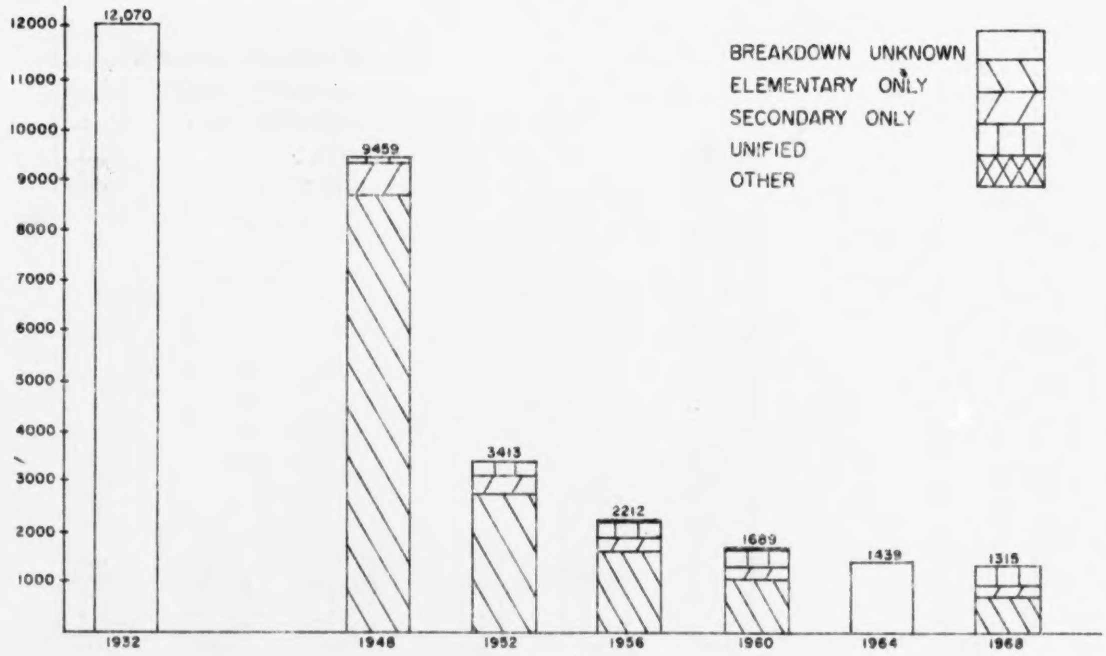


In 1943-44 Idaho had 1300 school districts. The state began a reorganization program in 1947 with what was known as the Peabody survey. This survey encouraged 1947 legislation which established a State Reorganization Commission and county committees to take the initiative in promoting reorganization.

Reorganization planning became mandatory and classes of districts were established to which all reorganized districts had to belong by July 1, 1949. By the fall of 1949 over 80 percent of the area in the state was in a reorganized district. By 1952 over 600 districts operating elementary schools only were eliminated. In 1951 the legislature passed an amendment repealing the provision requiring mandatory reorganization without a vote for all unreorganized territory after 1951. In its place was a means whereby two-thirds of the qualified voters in any area of a reorganized district could petition the state board to separate and become part of an adjoining district. Nevertheless, reorganization continued as evidenced by the drop in districts from a 1952 total of 281 to a 1960 figure of 156.

In 1961 the legislature enacted a provision whereby all areas of the state were to be reorganized by June 30, 1961. County boards were abolished in reorganized counties. This was followed up by 1963 legislation generally permissive in nature but which also set up machinery for the dissolving of non-operating districts. By the fall of 1969 Idaho had eliminated all non-operating districts. Since 1948 the number of school districts have dropped by over 80 percent to a total of 115. Elementary only districts had been reduced from 789 to 9 and there were no districts operating only secondary schools.

## ILLINOIS



1945
County Committees
under the leader-
ship of county
superintendent
take initiative
for developing
reorganization
plans.

1947
Community-Unit
school district
law encourages
12-grade
districts.

In 1948 Illinois had a total of 9,459 school districts 8,724 of which operated only elementary schools. By 1952 the total number of districts had been reduced to 3,413 while those districts operating only elementary schools totaled 2,781, a reduction of approximately 6,000.

This tremendous reduction can be attributed in part to 1945 and 1947 legislation which first provided for a State Commission and county committees to conduct studies and prepare organization plans. In 1947 a community-unit school district law was passed encouraging 12-grade districts. Most of the reorganization took place between the effective date of the community-unit law (late July, 1947) and October, 1949. During that period over 6,000 school districts were eliminated.

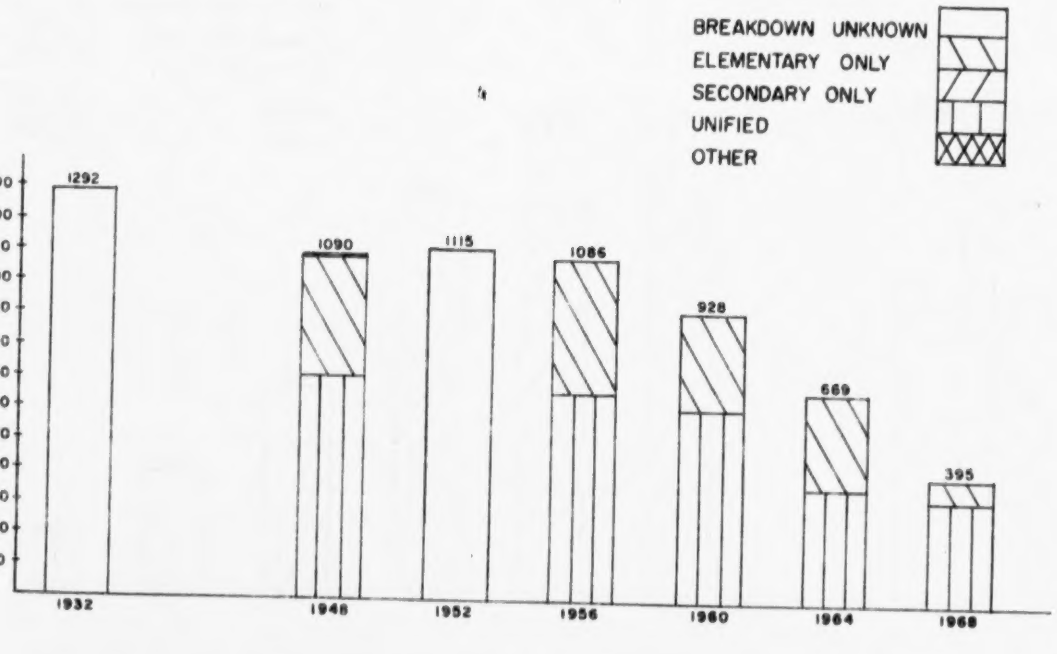
Through basically permissive legislation coupled with denial of state aid to small districts, Illinois had dropped to 1,279 districts by the fall of 1968, a reduction of approximately 90 per cent.

# INDIANA

1951
School survey commission created to study school finance and school district reorganization.

1955
Metropolitan school consolidation law.

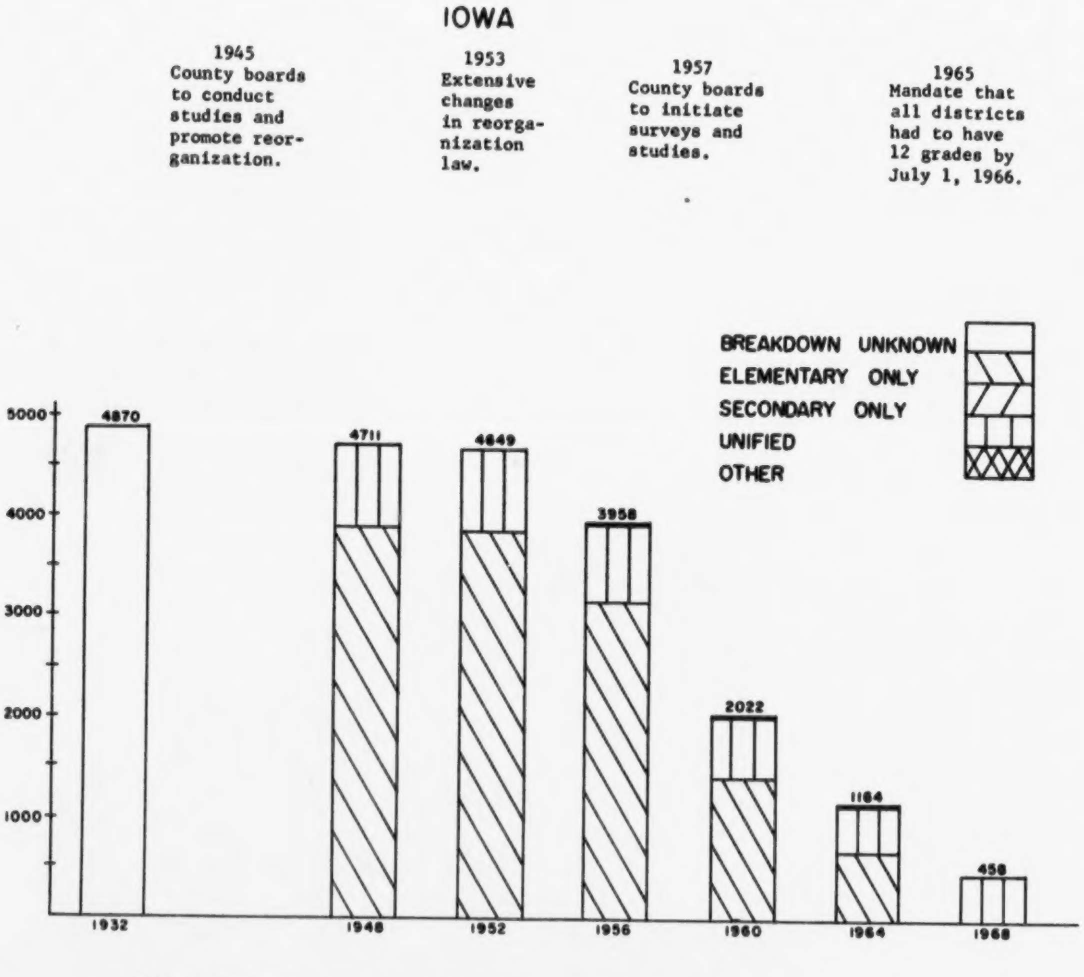
1959
State Commission and county committees created as result of school corporation reorganization law. Financial incentives present in state aid program.



In 1948 there were approximately 1,200 school districts in Indiana. By July 1, 1969 this number had been reduced by over 90 percent to a figure of only 289. The major portion of this reduction has taken place between the years 1959 and 1969 as there were still over 1,000 school districts in the state in 1959.

In 1951 a school survey commission was created to study school finance and school district reorganization. Recommendations of this commission were instrumental in motivating a great deal of interest in reorganization. In 1955 the legislature passed the Metropolitan School Consolidation Law which had limited impact on reorganization.

1957 amendments did little to stimulate reorganization activity but in 1959, the General Assembly passed significant legislation entitled the School Corporation Reorganization Law. Machinery was set up to enable citizens in each of the counties to study their own school organization needs and to institute change when they believed improvement was needed. A State Commission and county committees were created to assist the people in their efforts and although studies of school corporation organization were required by law, the law did not require any changes if a majority of the local citizens did not want them.



In 1943-44 Iowa had 4,856 school districts. In 1945 legislation was enacted requiring county boards of education to conduct studies and promote district reorganization. In 1947 county systems became a part of the Iowa public school system. Independent or consolidated school districts wanting to be part of the county system could do so upon majority vote of the voters in the district. By 1948 the number of districts still totaled 4,711.

In 1953 extensive legislative changes were made. All of the old legal provisions for affecting boundary changes were repealed and general changes in the reorganization law were extensive. By 1956 the number of districts had been reduced to 3,958.

In 1957 significant legislation was passed requiring all county boards of education to initiate surveys and studies for the purpose of promoting reorganization. These studies, which were to be completed by July 1, 1958, seem to have stimulated reorganization activity as evidenced by a decrease to 2,022 districts by 1960. 899 of these districts were non-operating and 552 had only elementary schools.

In 1965 legislation was passed declaring that all areas of the state were to be in districts maintaining 12 grades by July 1, 1966. The full impact of this mandatory legislation can be seen by noting that by the fall of 1968 the number of districts had decreased to 458. Only one non-operating and only two elementary districts existed at that time.

## KANSAS

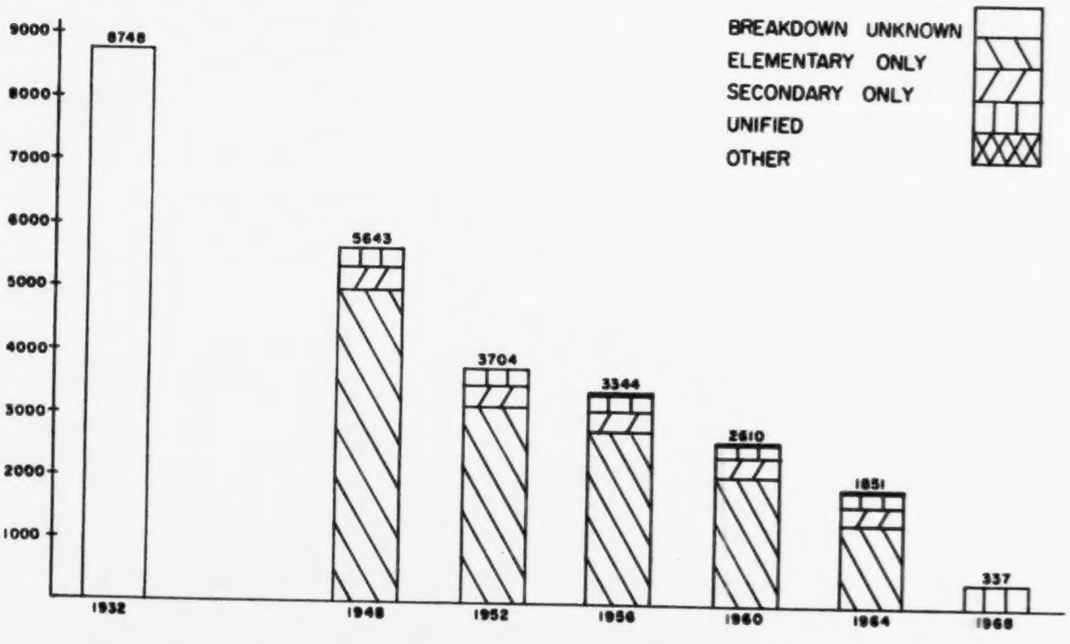
1945
County committees could mandate reorganization.

1947
Mandatory legislation ruled unconstitutional.

1951
Non-operating common school districts eliminated.

1961
New legislation embodying features of 1945 Act also declared unconstitutional.

1963
Planning units set up to organize K-12 districts. Provided for vote by people involved.



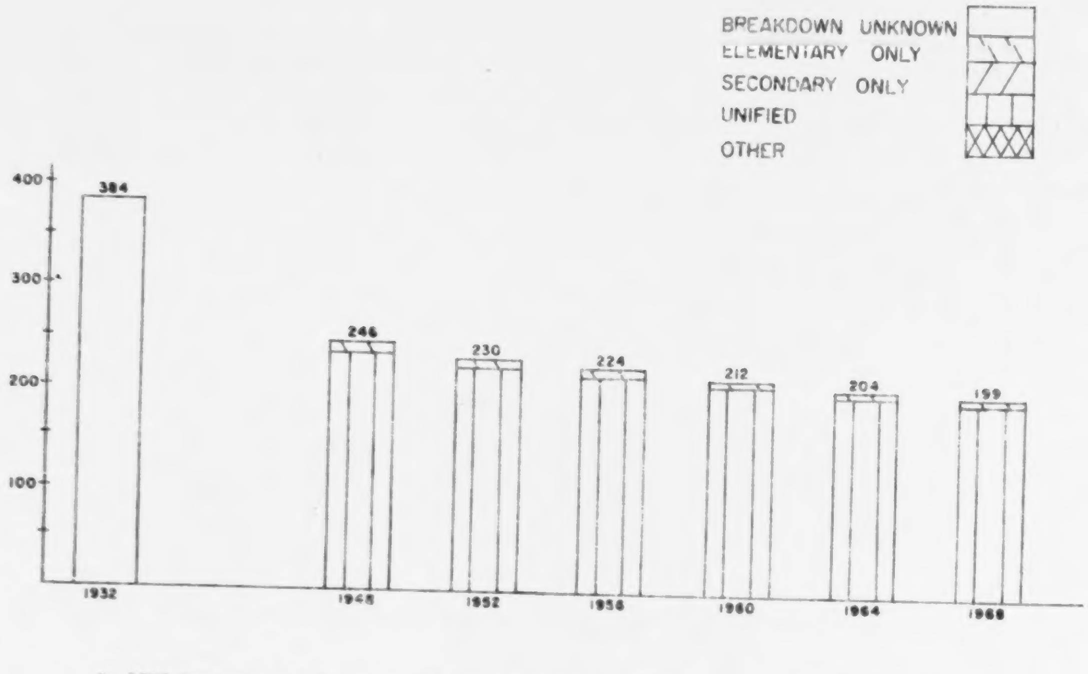
In 1945 school district reorganization legislation was enacted creating county committees empowered to reorganize school districts without a vote of the people concerned. Between 1945 and 1947 over 2,600 school districts were eliminated. In June of 1947 the Kansas Supreme Court held the 1945 act and a 1947 amendment unconstitutional on the grounds that they constituted an improper delegation of legislative power to county committees. In 1948 there were 5,643 school districts with only 303 operating both elementary and secondary schools. In 1951 legislation eliminated non-operating common school districts. 336 districts which had not maintained a school for three years were eliminated as of July 1, 1951. By 1960 the number of non-operating districts had been reduced to 328.

In 1961 new legislation was passed embodying many of the mandatory features of the 1945 act. This too was declared unconstitutional. In 1963 new reorganization legislation was enacted. It provided major stimulation for reorganization as evidence by a drop in the number of school districts from a 1964 figure of 2,023 to a 1968 figure of 337. Reorganization was semi-permissive in the respect that 108 planning units were set up to organize all lands and districts into K-12 systems. The people could vote on the plan but if the plan was defeated it was to be re-submitted and voted upon again. The 1963 act also provided the first unification act that was designed to encourage reorganization. The impact of this act can be fully appreciated by observing that between 1964 and 1968 183 non-operating districts were eliminated; the number of districts maintaining only elementary schools were reduced by 1,079; and the number of districts maintaining only secondary schools decreased by 296.

# KENTUCKY

1930
Legislation
passed defining
independent
school district.

1948
Legislation provided
for merger of independent district with
county district.



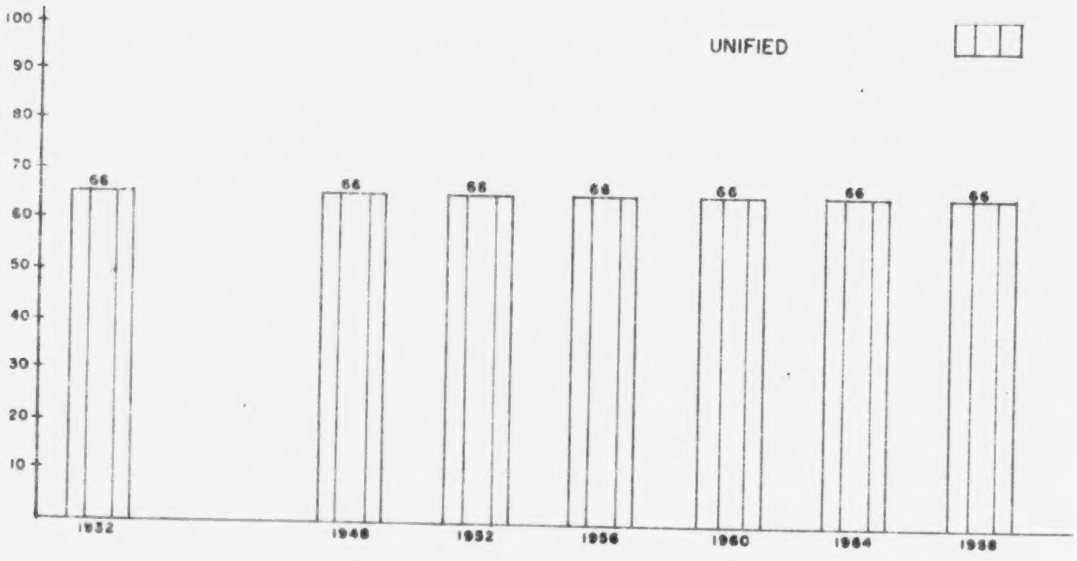
In 1908 Kentucky completely remodeled their high school system. The new plan adopted at that time called for a modified county-city organizational system. In the 1930's legislation was passed further defining an independent school district. It also stated that no independent district other than a city of the first five classes shall continue to operate when its school census enumeration of white children fell below 200 pupils. By 1943, 27 school districts existed compared to 384 in 1932.

In 1948 legislation outlined provisions for the merger of an independent district with a county district based on an appeal from the independent board to the county board. If this appeal failed, it could be submitted to the state board of education.

Except for the establishment of the county system in 1908 reorganization legislation in Kentucky has been permissive. There were 246 school districts in 1948. By the fall of 1968 this number had been reduced to 199. Five of these contained only elementary schools. None of the districts had an enrollment of less than 100 pupils and only 15 districts had an enrollment of less than 500 pupils.

# LOUISIANA

1847
Parish
(county)
school
system
established.



There are sixty-four parish (county) and two city school systems in Louisiana. As Louisiana has operated under this basic format for over twenty years there has been no significant legislation passed that has had an impact on school district reorganization during the period of this study.

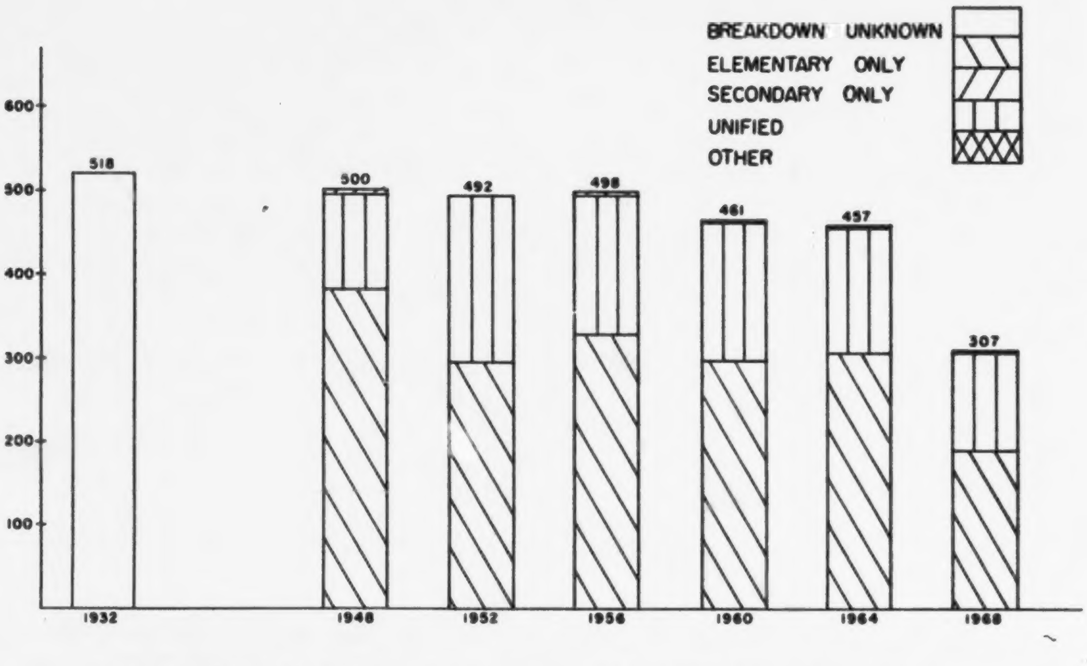
It is of interest to note that although the number of school districts has remained constant over this time, there has been a reduction in the total number of schools operating from 2,840 in 1948 to 1,885 in 1968 according to statistics produced by the United States Office of Education. Only two of these were one-teacher schools.

## MAINE

**1947**
Community school district act. Financial incentives present in aid program.

**1954**
Commissioner and state board to adjust supervisory unions. "No Loss Clause" in finance program.

**1957**
State Board to develop state plan for consolidation. Incentive features included to encourage reorganization.



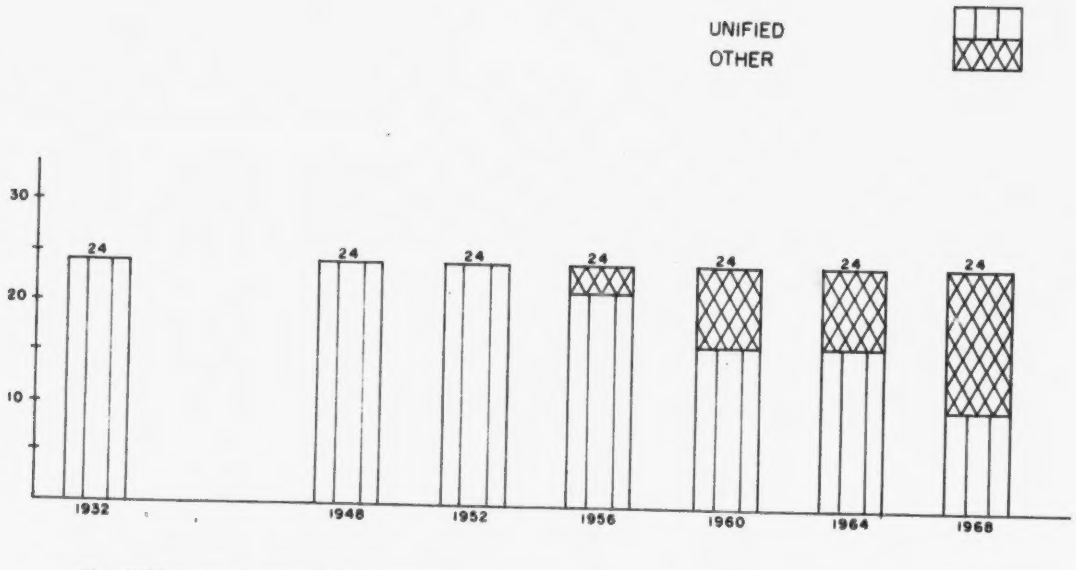
In 1944 Maine had 500 school districts. By the fall of 1968 this number had been reduced to 307, only 116 of which operated both elementary and secondary schools. During this time permissive reorganization legislation was passed as well as legislation providing certain financial incentives to encourage the formation of larger districts.

In 1947 the Community School District Act was passed allowing towns to join together to operate a secondary school. In 1954 the Commissioner and State Board of Education were directed by the legislature to adjust the grouping of Supervisory Unions within the state into districts containing 35-75 teachers. A "no loss" clause was provided and school committees in the affected units were involved in the planning of reorganized units.

The 1957 legislature encouraged developments of sufficient size to provide equal opportunity and better tax rates. The State Board of Education was to develop a state plan for the creation of efficient school administrative districts. One of their responsibilities was to evaluate the impact of consolidation on valuation per pupil in the larger district and make definite recommendation with respect to an eventual uniform minimum tax rate toward the support of a foundation program of education if these larger districts were appropriately established throughout the state. This same year two provisions were included in legislation which provided financial incentives for reorganization. One provision provided that when administrative districts are reorganized, the state subsidy paid annually to each district shall be supplemented by an additional 10% of that amount if they provide a K-12 program and one secondary facility. The second feature provides state aid for school construction, school debts, and leases to encourage the formation of larger school districts. Since the 1957 legislation the number of school districts in Maine decreased by over 200, 163 of which operated only elementary districts.

# MARYLAND

1868
General
Assembly
established
a county
system of
free public
schools.



The 1968 General Assembly enacted an elaborate statute providing a county system of public schools throughout the state. This statute also gave the city of Baltimore the full power to establish a system of free public schools. The education laws of Maryland have been subject to frequent modification which has not altered in any substantial manner the basic county level organizational structure. Maryland has 23 counties and 24 school districts.

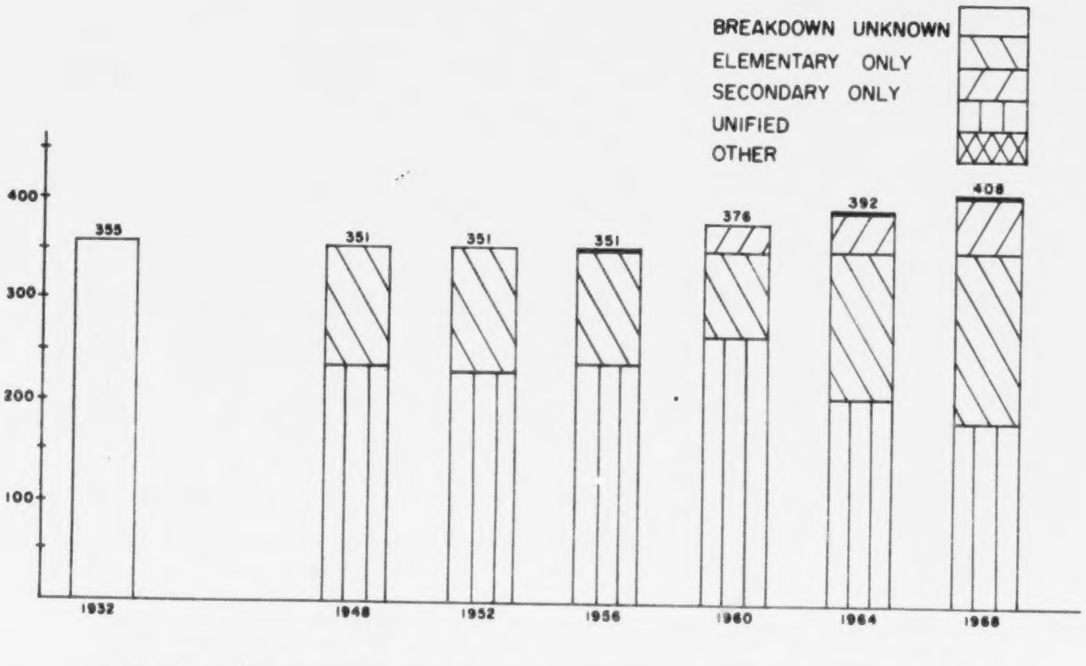
County boards have the power to consolidate schools whenever in their judgement it is practicable and no resulting attendance area contains less then 50 children between the ages of 6-14.

# MASSACHUSETTS

1949
Regional school
districts estab-
lished.

1950
Financial incentive
encouraging regional
districts.

1967
Incentive
building
aid for
regional
schools.



In 1944 the State of Massachusetts had 351 school districts. By the fall of 1968 this number had increased to 394.

The 1948 legislature enacted laws establishing regional school planning committees. Criteria were established for the formation of these districts. Each town comprising the regional school district was to continue to receive state aid for educational purposes in the amount to which it would be entitled to if no such district had been formed; and such regional school district was entitled to receive aid for construction of regional schools. In 1950 legislation encouraged the formation of regional school districts by making an additional payment of 15% of the amount to which the town would be entitled if such regional districts had not been formed. In 1967 the legislature grouped the building construction incentive with other bonus aid features all designed to encourage regional school districts.

It should be noted that along with the total increase in school districts non-operating districts, districts operating only elementary schools, and districts operating only secondary schools have all increased while the only decrease in the period from 1948-1968 has been in districts operating both elementary and secondary schools.

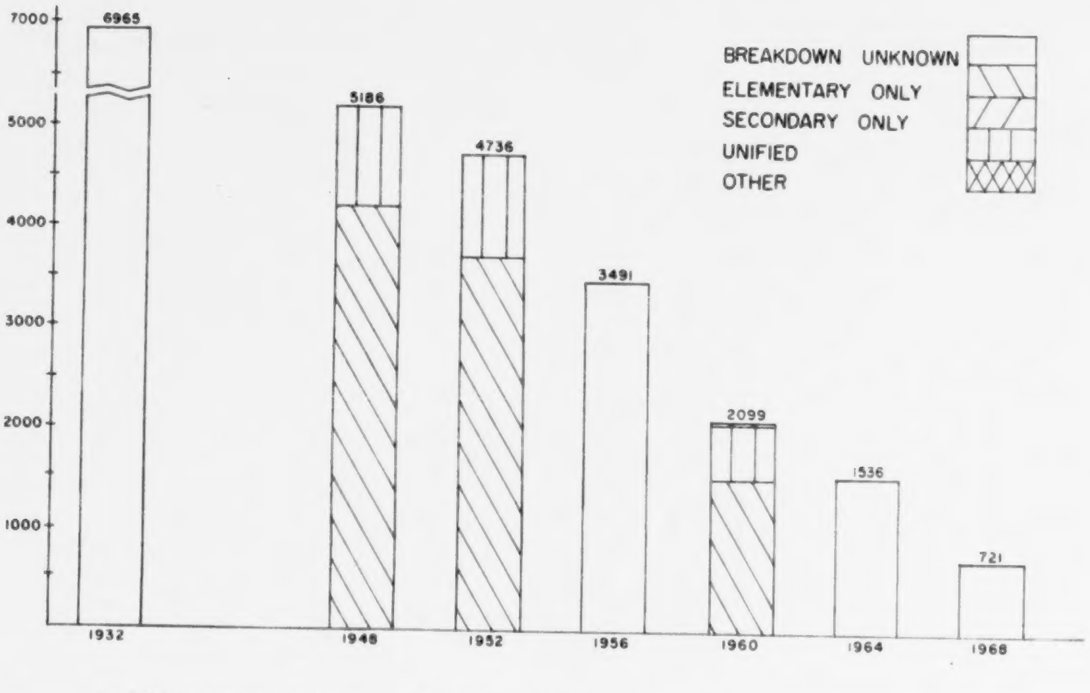
## MICHIGAN

1949
Area Study
committees
encourage
reorganization.

1955
Extensive per-
missive legis-
lation encourages
some reorganization.

1957
Incentive
features in
finance pro-
gram revised.

1964
Reorganiza-
tion studies
made mandatory.
"No Loss Clause"
feature of fin-
ance program.



In 1948 in Michigan there were 5,186 school districts, 4,191 of which maintained only an elementary school. In those districts maintaining only an elementary school there were 2,952 one-teacher schools. In 1949 legislation was enacted providing for the establishing of area study committees for the purpose of conducting studies of educational conditions and needs within specified areas and recommending changes in school district reorganization. As this was a strictly optional program little action was stimulated in the area of school district reorganization as evidenced by the fact that in 1952 there were still 4,736 school districts.

The 1955 legislature enacted several provisions pertaining to reorganization. These provisions were permissive in nature generally describing what type of districts could consolidate, rules and procedures for consolidation proceedings and elections, and procedures for transferring lands. Although these provisions lacked mandatory features, the number of school districts had decreased to 1,536 by the fall of 1964.

Responsibility for developing plans for improved school district organization became mandatory for each county in 1964. Reorganization studies were required suggesting ways to incorporate all non-high school districts into existent K-12 programs and also to combine effectively any existing small K-12 districts into units capable of offering a comprehensive educational program through the twelfth grade. By 1968 the number of school districts had dropped to 721.

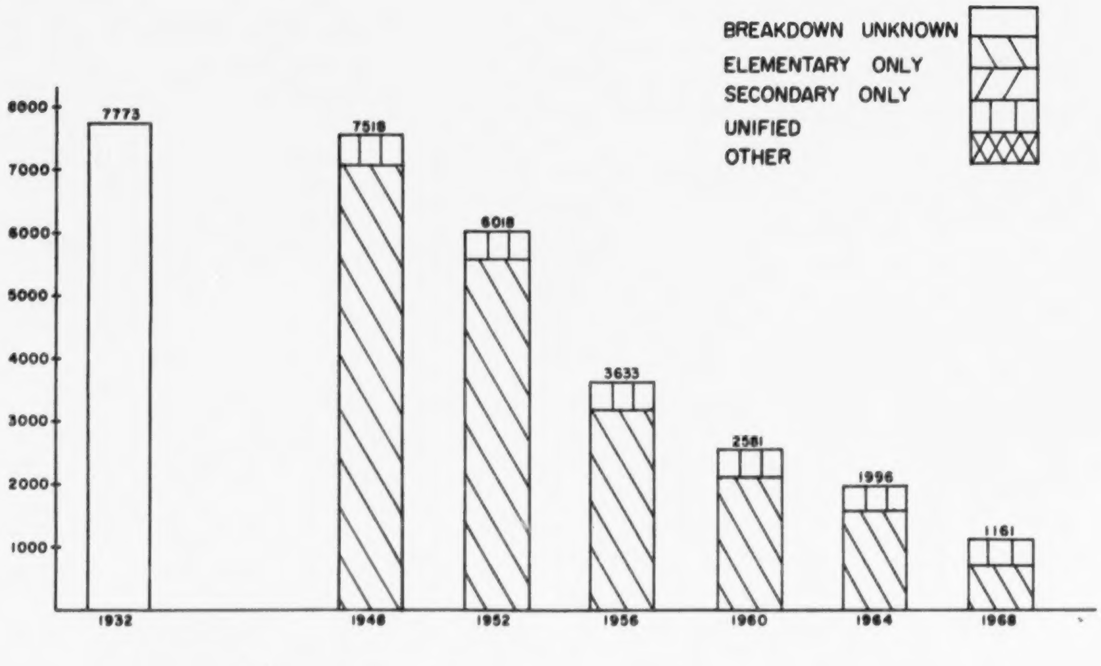
MINNESOTA

1947
County survey committees and state advisory commission established.

1951
Dissolution of some closed school districts.

1963
Dissolution of remaining closed districts by July 1, 1965.

1967
All areas in state must be in classified 1-12 districts by 1971.



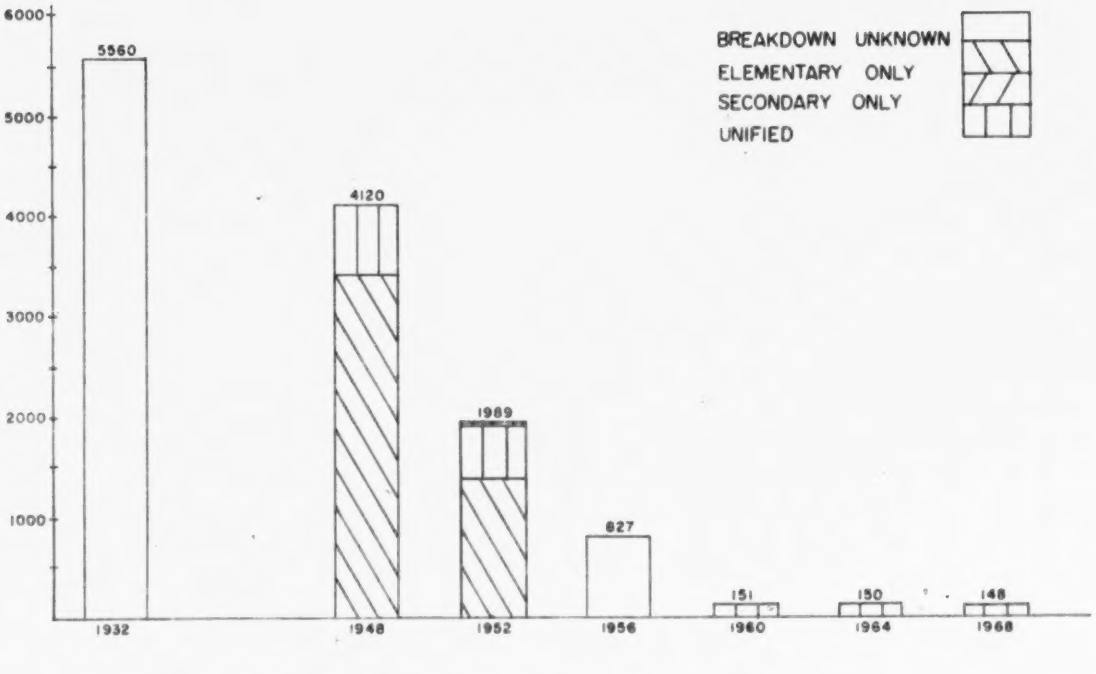
In 1947 the legislature in an attempt to encourage school district reorganization established a State Advisory Commission and county survey committees. The county committees were to study the school districts and unorganized territory of the county for the purpose of recommending desirable reorganization. The State Commission, in addition to formulating goals and procedures for public school reorganization, reviewed the recommendations of the county survey committees. County and state committee recommendations had to be approved by the voters of the district. In 1951 the legislature provided for the dissolution of some "closed" school districts. After the passage of the 1947 and 1951 legislation the number of school districts declined rather rapidly. In 1948 there were 7,518 school districts in the state. By 1956 this number had dropped to 3,633 or over 50 percent. The number of non-operating districts dropped from 2,418 to 1,221 and the number of districts operating only elementary schools were decreased from 7,073 to 3,181.

The 1963 legislature enacted a statute bringing about the dissolution of most of the remaining non-operating districts in the state by July 1, 1965. By the fall of 1968 only eight closed school districts remained. In 1967 mandatory legislation was enacted requiring that after July 1, 1971 all areas of the state must be included in an independent or special school district maintaining classified elementary and secondary schools, grades one through twelve. By June of 1969 the number of school districts in the state had fallen below 1,000 for the first time.

## MISSISSIPPI

1942
Basic school
code established.

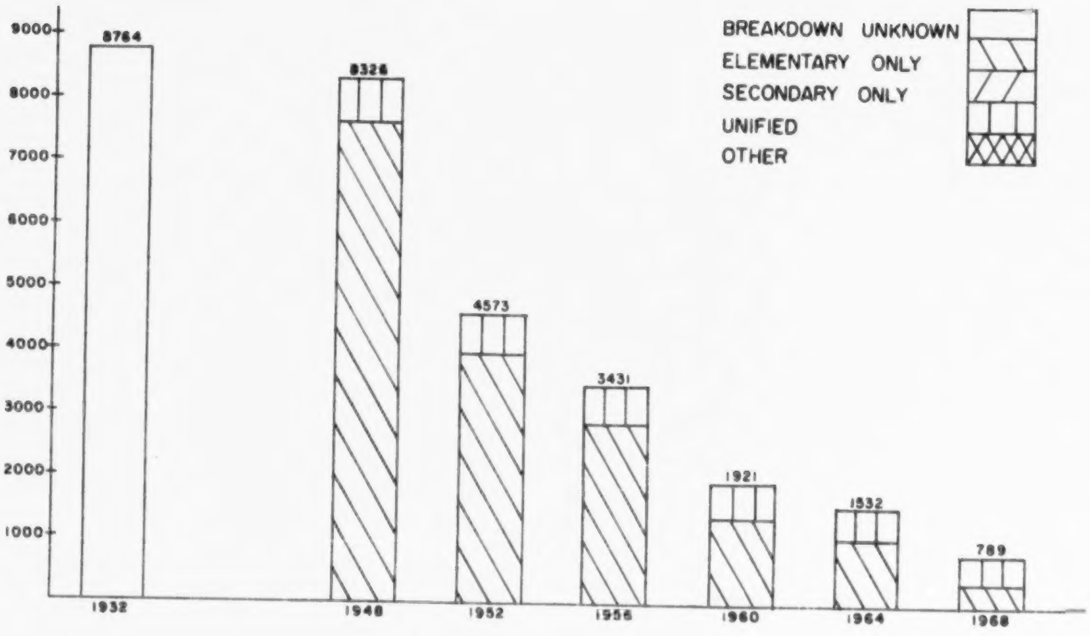
1953
All districts
to be recon-
stituted by
1957. Financial
incentives a
feature of man-
datory legislation.



The state of Mississippi has two basic governing bodies for the regulation of schools. The county board of education has jurisdiction over all schools within the county except the municipal separate school systems which are controlled by a board of trustees. The basic school code was adopted in 1948. At that time there were 4,120 school districts in the state, 3,440 of which operated only elementary schools.

In 1953 the current measures for the alteration, consolidation, and abolition of school districts were established. The 1953 legislation was mandatory in the respect that all districts had to be reorganized by 1957 or lose state aid. The State Finance Commission played an authoritarian role in either approving or disapproving boundary changes but the local voters also could influence reorganization action by petition. From 1952 through the fall of 1969 there has been a decrease of over 1,800 school districts. The fall of 1969 total was 149, none of which operated only elementary schools.

# MISSOURI



1948
County boards
created to en-
courage reor-
ganization.
Building aid
as a financial
incentive.

1969
Mandates
merger
of common
elementary
districts.

In 1948 the School District Reorganization law was passed in Missouri giving major impetus to reducing the number of school districts. In four years (1948-1952) the number of school districts decreased by 3,753 from a figure of 8,326 in 1948 to a 4,573 total in 1968. During this same time the number of districts maintaining only elementary schools decreased from 7,649 to 3,964.

The 1948 law, which remains in effect in essentially its original form, encouraged reorganization through the creation of county boards which were to present to the State Board of Education proposed plan of reorganization by May 1, 1949. As an incentive any newly reorganized district was entitled to $25,000 state building aid on a matching basis to construct new buildings needed as a result of the reorganization. In 1951 the law was amended to increase this aid not to exceed $50,000 assessed valuation or fewer than 100 pupils in average daily attendance for the preceding year. In 1955 this was amended to require a proposed district to contain not less than 100 square miles of land area or fewer than 200 in A.D.A.

By the fall of 1968 the number of school districts had dropped to 789, 96 of which were non-operating and 315 of which operated only elementary schools.

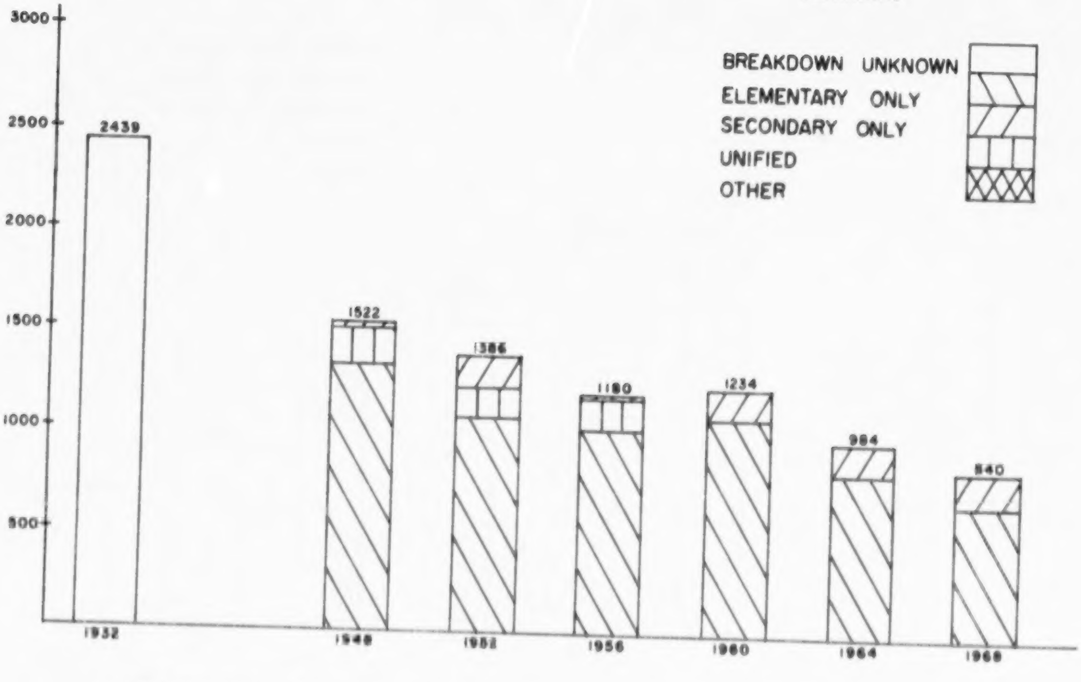
# MONTANA

1947
High school
building act
superimposed
high school
districts over
elementary districts.

1963
Classification of
districts.

1965
Provisions
for creation of new
districts.

1967
Consolidation
law
revised.



In 1947 the state of Montana passed legislation superimposing high school districts over elementary districts. The basic school district organization structure in Montana calls for districts operating only elementary schools controlled by local school boards under the general supervision of the county superintendent. Secondary districts are superimposed over the existing elementary districts. This has resulted in the trend over the twenty years of this study which shows Montana gaining in districts containing only secondary schools from 18 in 1948 to 164 in 1968. During this same period of time districts maintaining both elementary and secondary schools have decreased from 164 to one.

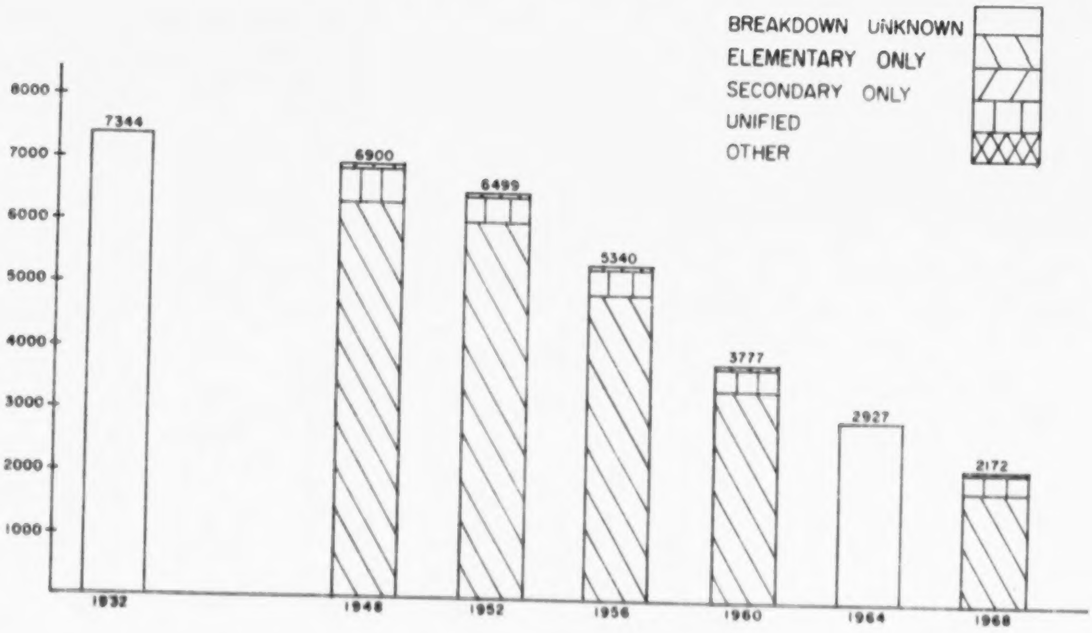
Legislation in 1963 classified districts by population. 1965 legislation contained provisions for the creation of new districts but tried to restrict district reorganization resulting in a taxable valuation of property less than $75,000 in the resulting districts. In 1967 legislation dealing with consolidated districts, establishing provisions for the procedures relating to consolidating and annexing districts, and assumption of bonded indebtedness was enacted.

Montana legislation has been basically permissive in nature. During the twenty years of the study the total number of districts have decreased from 1,522 to 758.

## NEBRASKA

1949
County and state
reorganization
committees
established.

1965
Petitioning
procedure
designed for
dissolution
of school
districts.



In 1944 Nebraska had 7,021 school districts. By the fall of 1968 this number had decreased to 1,992. During this period of time permissive legislation set up the machinery for changing district boundaries, abolishing districts, reorganization of districts, and dissolution of districts.

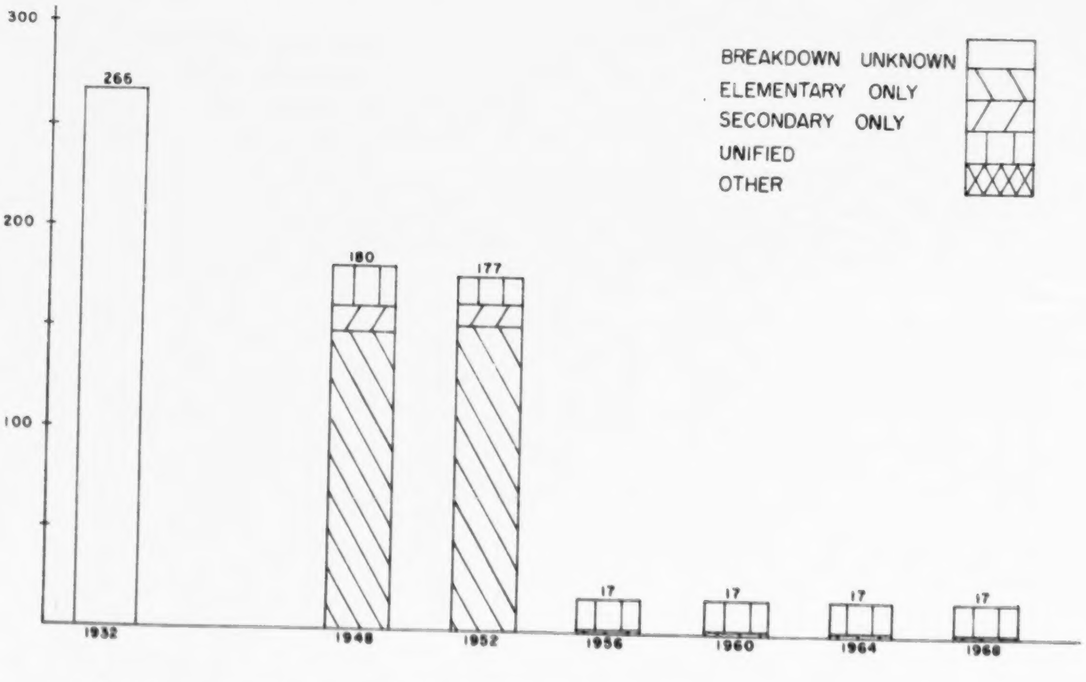
In 1949 major reorganization legislation was passed. This legislation was of a permissive nature and included no financial incentives. One of the main features of the act was the creation of state and county school districts reorganization committees. County committees were required to consider reorganization procedures and plans submitted to them by the state committee but were not required to develop or adopt any of these plans. If the county committee decided to go along with the state committee's recommendations, the legislation established procedures for public hearings and elections.

In 1965 legislation was enacted to permit twenty-five percent of the legal voter of Class I or II schools to petition for the dissolution of their school district. In 1968 of the 1,992 school districts reported, 429 were non-operating, 1,400 maintained only elementary schools and only 324 districts maintained both an elementary and secondary school.

# NEVADA

1949
Discon-
tinuance
of small
district
high school.

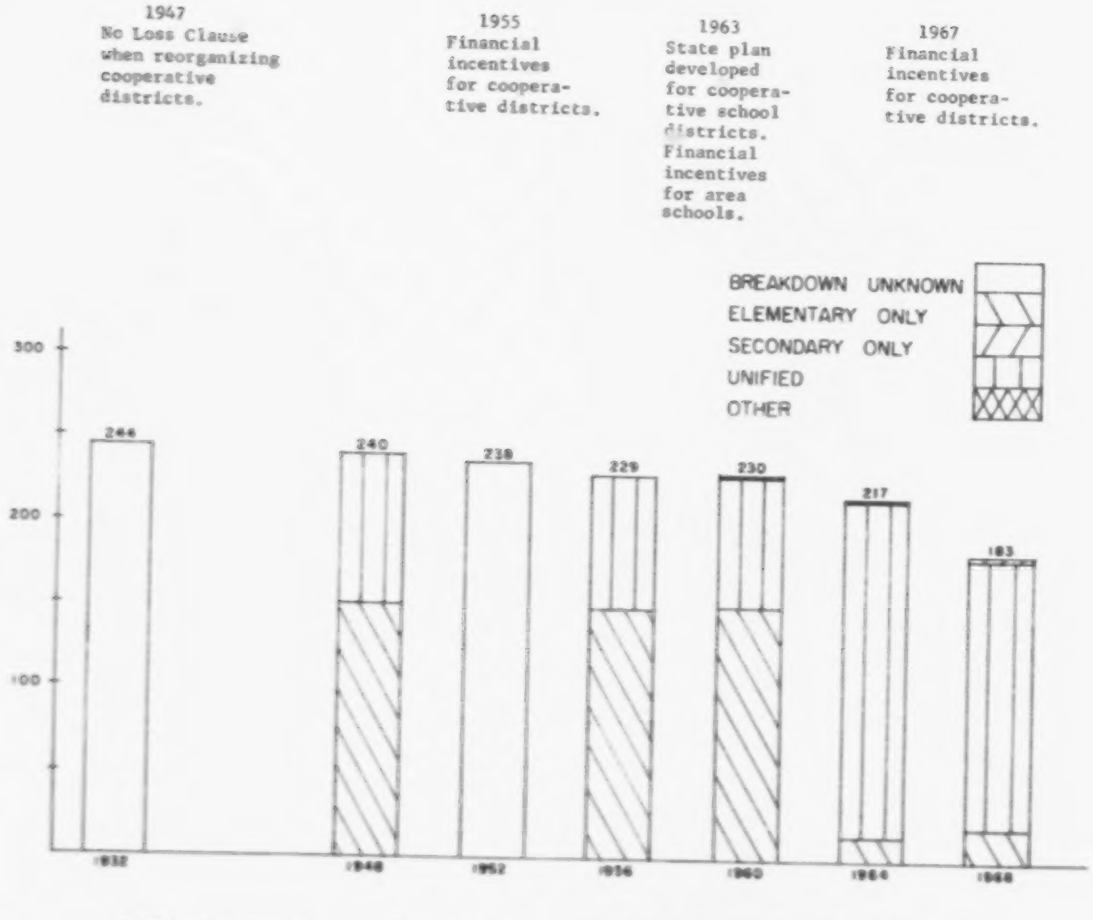
1956
Major district
organization
revision. County
and joint school
districts estab-
lished.



In 1948 the state of Nevada had 180 school districts, 148 of which operated only elementary schools and 88 of this figure were one-teacher schools. In 1949 reorganization legislation was passed providing for the discontinuance of a district high school if attendance dropped below eight resident students. July 1, 1951 was set as the effective date. 1951 legislation changed the original discontinuance date to July 1, 1953 and provided for the annexation of unorganized territory to an organized district. Previous to this there was only provisions for creation of a new district from unorganized territory. A 1953 statute provided for withdrawal from a consolidated district for the purpose of forming a new district and also changed the petition procedure for annexation.

1956 legislation provided for a major revision in Nevada's school district organization. The school districts of the state were to be of two kinds (a) county school districts, (b) joint school districts. County school systems were to be contiguous to county boundaries. Joint school districts, composed of all the territory of two or more contiguous county school districts were provided for. The act provided for the dissolution of existing school districts and the transfer of all functions to the county districts as of March 2, 1956. Nevada has 17 counties and 17 school districts.

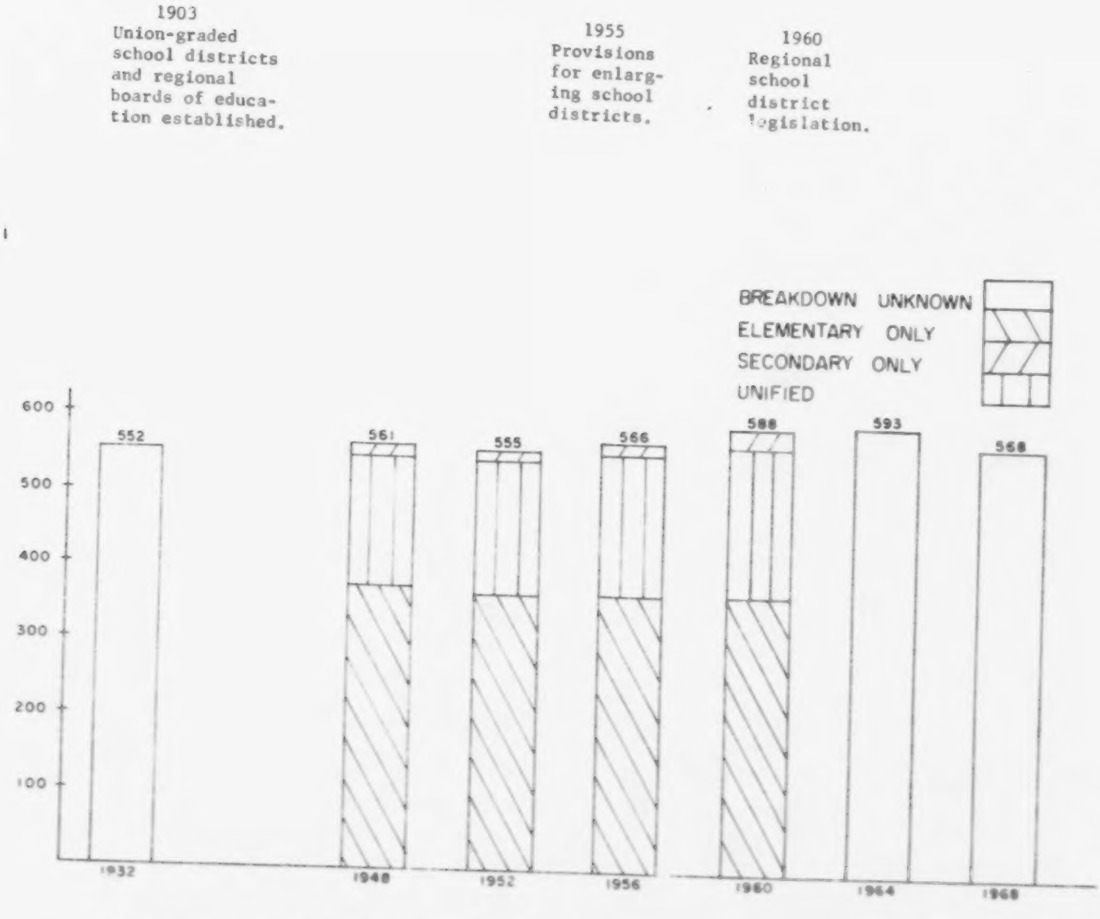
## NEW HAMPSHIRE



In 1947 New Hampshire passed legislation stating that a cooperative school district was entitled to the shares of aid to which the pupils attending the cooperative district would have been entitled to had they remained in the pre-existing districts. Although the act itself did not seem to stimulate immediate reorganization, this type of permissive legislation in conjunction with financial incentive features has helped the state of New Hampshire to reduce the total number of school districts from 240 in 1948 to 173 in 1968. In this same period of time the number of districts operating only elementary schools have been reduced from 150 in 1948 to 5 in 1968.

In 1955 legislation was enacted that provided for state building aid for those cooperating districts formed from two or more districts from two or more towns. The 1963 legislature directed the state board of education to prepare and publish a plan subdividing the state into suggested cooperative school districts. It also offered financial incentives to receiving and sending districts which undertook the obligations of an area school. This same legislature provided incentive aid to pre-existing districts which were willing to undertake the obligations of a cooperative district. The 1967 legislature expanded upon the provision extending state building aid for those cooperative districts formed from two or more districts. Cooperative school districts are entitled to an amount ranging from 40 percent to 55 percent of the annual principal payment depending on the number of pre-existing districts which have combined.

# NEW JERSEY

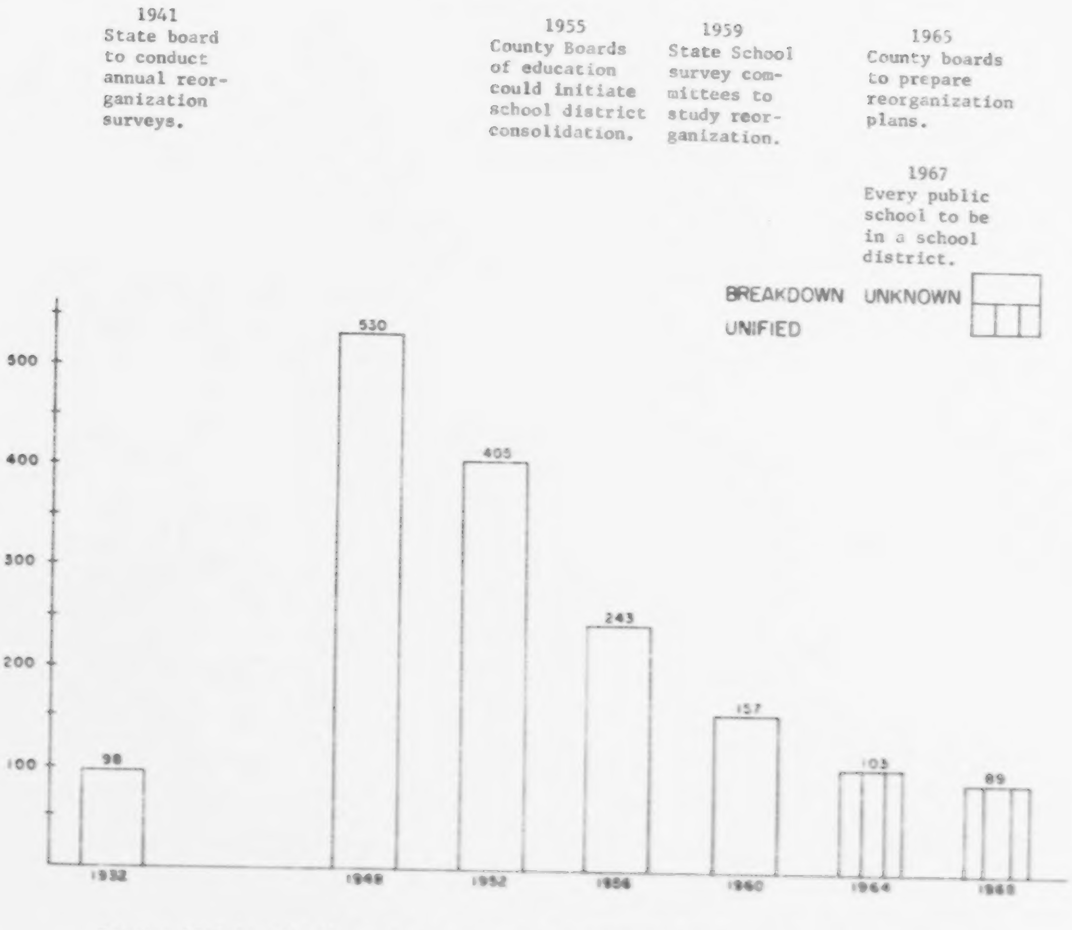


From 1948 through 1968 New Jersey experienced a gradual increase in the number of school districts (561 in 1948 to 568 in 1968). The type of legislation pertaining to school reorganization has resulted in an actual increase in school districts rather than a general decrease which is common in most states. Back in 1903 legislation was first passed in New Jersey establishing the union-graded school district or a regional board of education. For over fifty years this early legislation remained basically the same.

1955 legislation gave specific guidelines for enlarging a school district. The amended law included the State Commissioner of Education in the study and investigation of district reorganization. In 1960, an act was passed authorizing the creation of certain regional school districts. This enabling legislation stated that the board of education of a consolidated school district or of two or more school boards and the State Commissioner of Education could call and conduct a special election for creation of a regional school district.

Part of the explanation for the increase in school is due to the fact that although New Jersey has 56 regional districts, only 8 are K-12. The other combinations are generally regional secondary districts which do not necessarily encourage the consolidation of the state's elementary districts. Reorganization in the state does not seem to be discouraged by the state aid foundation program as apportionment of funds are adjusted according to reorganization. All districts are entitled to monies from the minimum aid fund if they provide school facilities for at least 180 days and conform to all rules and regulations formulated by the State Commissioner or the State Board of Education.

## NEW MEXICO



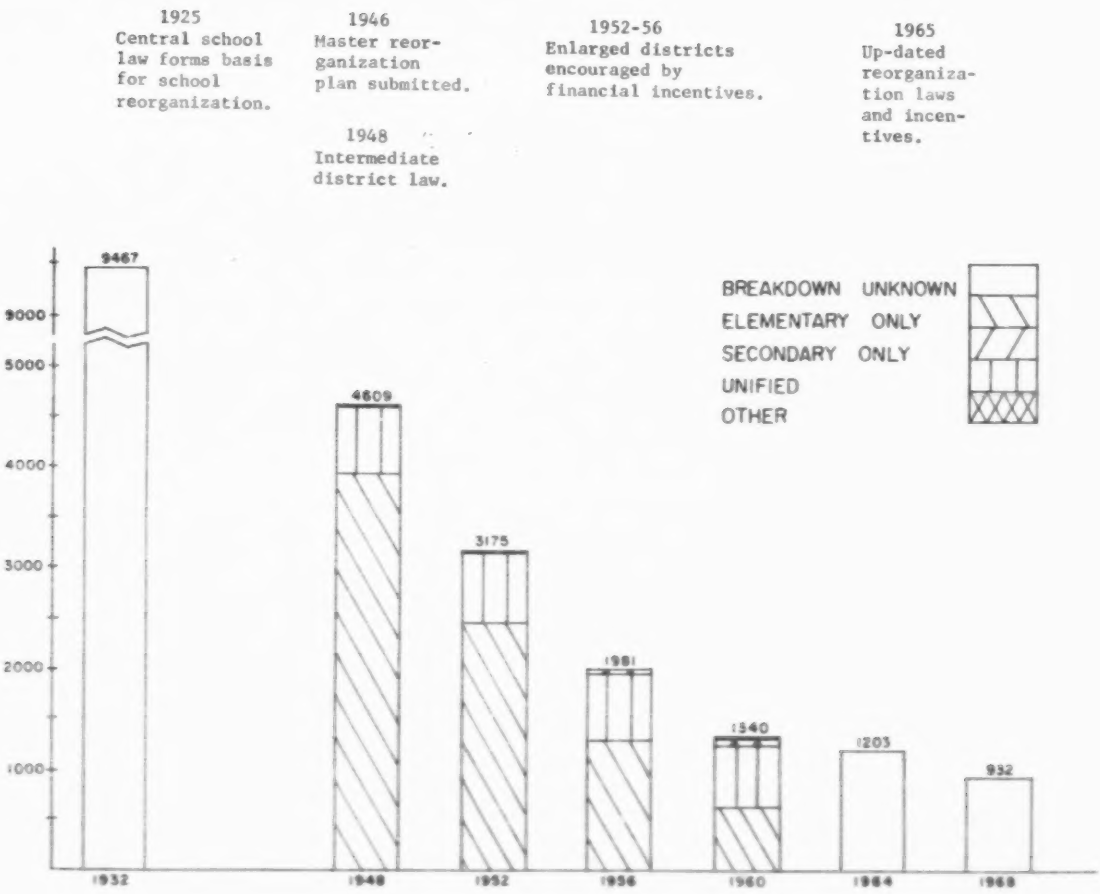
Between 1948 to 1968 the number of school districts in New Mexico dropped from 530 to 89. All of these districts presently operate both elementary and secondary schools.

In 1941 a law was passed setting up a procedure for annual surveys by the state board of education for the purpose of determining the feasibility of making consolidations so as to effect the greatest possible economies and so that proper educational facilities could be furnished to all the school children of the state. In 1940 New Mexico had 1,730 school districts. By 1952 this total had dropped to 405.

County boards of education in 1955, were given power to determine by resolution that standards of education and economies could be improved by consolidation of two or more rural school districts in the county. The state board of education could mandate the consolidation if they approved of the resolution. In 1956 there were 243 school districts. In 1959 state school survey committees were established to assume the responsibility for determining recommendations for reorganization. By 1960 the number of school districts had been reduced to 157, only one of which operated only an elementary school.

A provision enacted by the 1965 legislature called for each county board to prepare a plan for its administrative reorganization by June 30, 1965 and submit this to the state board of education for its approval. Should the plan not meet with the boards approval or if the county board refused to submit a plan, the state board could force mandatory reorganization procedures to be effective no later than September 1, 1965. 1967 legislation made it mandatory that every public school was to be located within the geographical boundaries of a school district. Any new district created after this time must have a minimum of 500 students and must maintain a high school unless an exception is granted by the state board.

## NEW YORK



The Central Rural School Act passed in 1925 forms the basis for school district reorganization, with some modifications, that exists in the state today. In 1946 a joint legislative committee on the state education system presented a master plan for the reorganization of school districts. This master plan was to guide the commissioner of education in laying out new central districts when voters of uncentralized areas expressed a desire for reorganization.

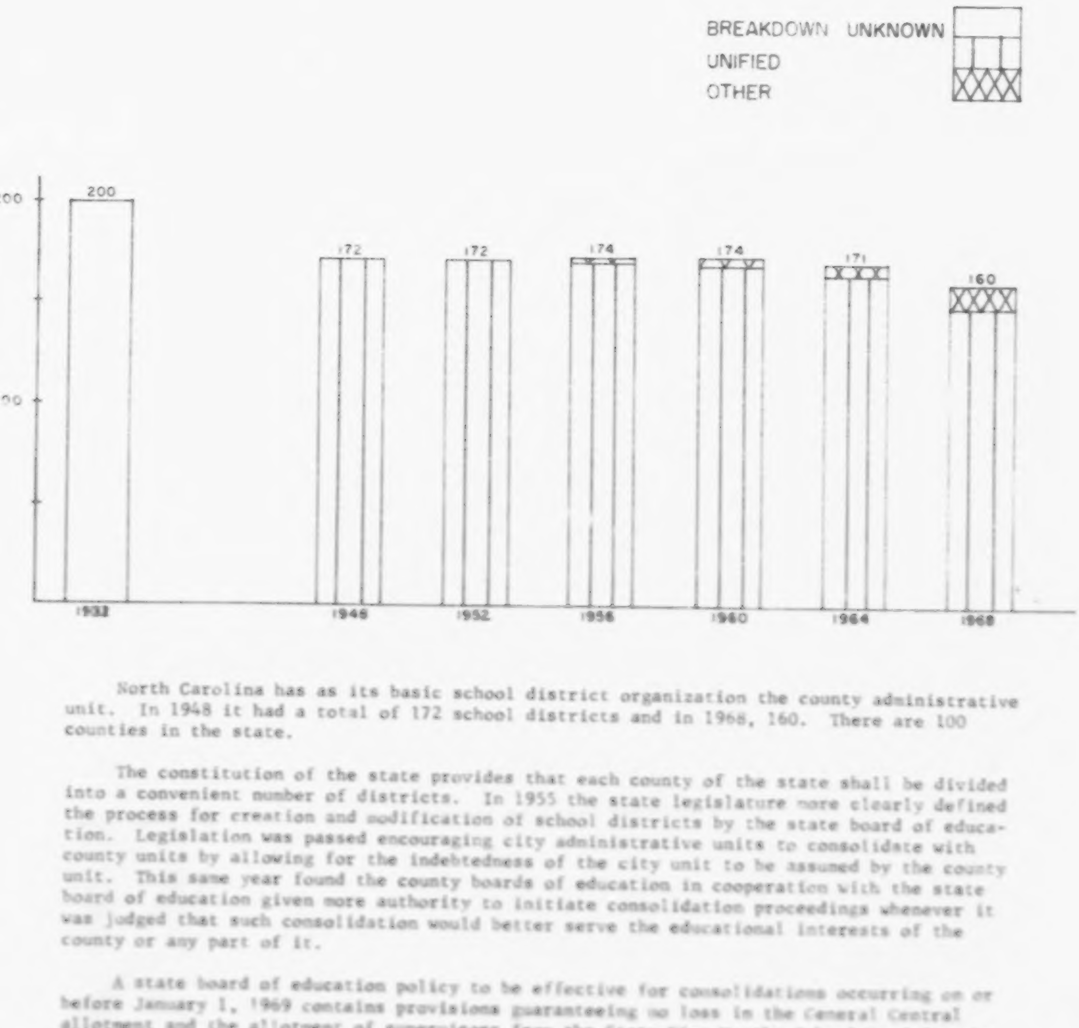
In 1948 the legislature passed the Intermediate District Law. Under this act, a sufficient group of central and union free districts could combine to provide to all of the schools of the area those kinds of educational services that the individual districts could not provide. At this time New York had 4,609 school districts, 3829 of which operated only elementary schools. The 1952 and 1956 legislatures offered substantial financial incentives to encourage reorganization. A formula was devised for paying a bonus apportionment to each reorganized district in order to provide at the very least equivalent service to the districts as they existed before consolidation. Also, any central district which was organized was to receive an apportionment known as a building quota based on pupil enrollment.

By 1960 the number of school districts had dropped to 1,340. Over 400 of these districts did not actually operate a school and 239 operated only elementary schools. The last major reorganization legislation passed in the state of New York was in 1965. It amended the education law to keep current the state plan for school district reorganization and adjusted appropriations accordingly. It limited the continuance of school districts not maintaining home schools. It also limited continuance of certain contract systems by a school district not maintaining home high schools. It also established a procedure for granting state aid for school building purposes to school districts scheduled for reorganization and granted additional state aid to certain school districts after reorganization.

The nearly 3½ million public school children in New York State are distributed over a total of 749 school districts. Some do not operate schools at all while some operate elementary grades only. Over one-half of the districts enroll fewer than 1200 pupils. Surprisingly, the New York City Metropolitan Counties account for 60% of the districts having no high schools.

# NORTH CAROLINA

1955
State and County boards
of education encouraged
by legislature to modify
and create school dis-
tricts to meet pupil and
community needs.

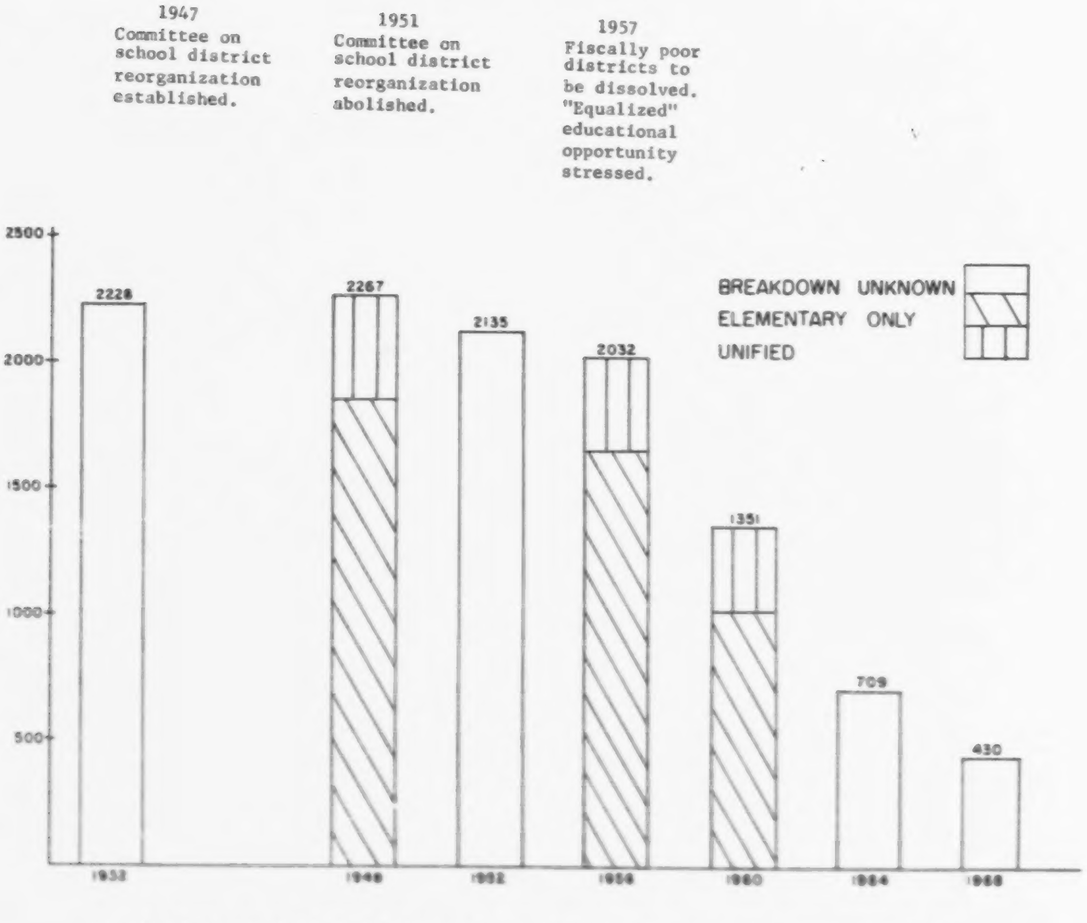


North Carolina has as its basic school district organization the county administrative unit. In 1948 it had a total of 172 school districts and in 1968, 160. There are 100 counties in the state.

The constitution of the state provides that each county of the state shall be divided into a convenient number of districts. In 1955 the state legislature more clearly defined the process for creation and modification of school districts by the state board of education. Legislation was passed encouraging city administrative units to consolidate with county units by allowing for the indebtedness of the city unit to be assumed by the county unit. This same year found the county boards of education in cooperation with the state board of education given more authority to initiate consolidation proceedings whenever it was judged that such consolidation would better serve the educational interests of the county or any part of it.

A state board of education policy to be effective for consolidations occurring on or before January 1, 1969 contains provisions guaranteeing no loss in the General Control allotment and the allotment of supervisors from the State Nine Months School Fund for the and second full fiscal years of the consolidation.

## NORTH DAKOTA



1947
Committee on
school district
reorganization
established.

1951
Committee on
school district
reorganization
abolished.

1957
Fiscally poor
districts to
be dissolved.
"Equalized"
educational
opportunity
stressed.

North Dakota, in 1948, had 2,267 school districts, 1,855 of which operated only eleentary schools. Within these 2,267 districts there were 2,677 one-teacher schools. A comprehensive school district reorganization law was enacted in 1947 establishing a state committee on school district reorganization as well as county committees to assume the initiative in stimulating school district reorganization. The county committees had one half year to prepare comprehensive reorganization plans to be submitted to the state committee for approval. A 1949 amendment specified that when a part of an existing district was included in a reorganization and the remaining portion had an assessed valuation of less than $100,000 for each teacher employed that portion was to be annexed to an adjacent district. In 1950 North Dakota still had 2,250 school districts.

In 1951 legislation abolished the state committee on school district reorganization and set up voting procedures requiring a favorable majority vote in each district included in the proposed reorganization. Between 1952 and 1956 there was a drop of only 103 disticts. In 1957 the North Dakota School District Reorganization Act was enacted. It provided for the dissolution of fiscally poor districts. The act attempted to provide for a more nearly equalized educational opportunity for pupils of the common schools, a higher degree of uniformity of tax rate among districts, and a wiser expenditure of public funds. The act contained many similarities to the 1947 legislation. The act left the final shape of the reorganization in the hands of the people in the affected districts and left the technical phases in the hands of the county committees and the state board of education. Through generally permissive legislation, North Dakota reduced its number of school districts by over 1500 between 1957 and 1968.

## OHIO

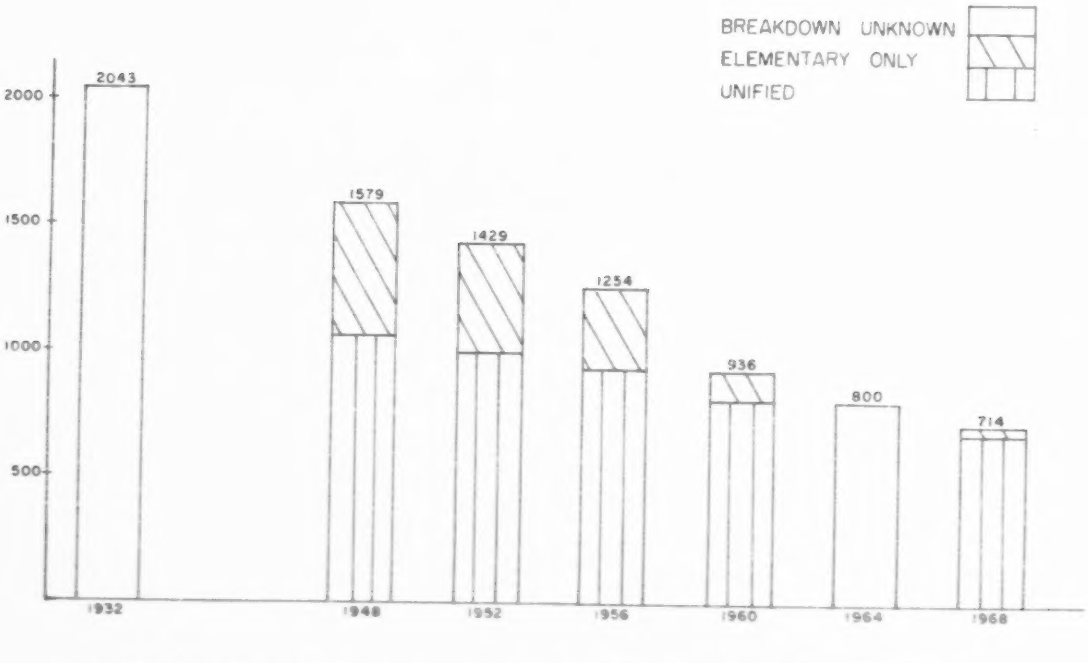
1943
Village
Districts
Abolished

1955
State Board
of education
created.

1959
Reorganization
studies initiated

1967
Incentive aids
for reorganization.
State
superintendent
to make reorganization
studies.

1968
All districts
to be K-12



In 1943-44 Ohio had 1,605 school districts. This number gradually decreased over the decade to a 1952-53 figure of 1,429. 1953 legislation established procedures for initiated reorganization activity. All districts created after October 2, 1953 were to have 1-12 programs. In 1955 the legislature created the state's first board of education. The state board, through the State Department of Education, has exerted considerable influence in the reorganization of school districts in Ohio. Since 1955 Ohio has decreased by over 600 districts.

The 1959 legislature enacted provisions authorizing the state board to implement studies of districts to document needs for transferring territory. In 1967 an amendment to this legislation authorized the state board to direct the State Superintendent to make the necessary studies and recommendations for transfer of territories.

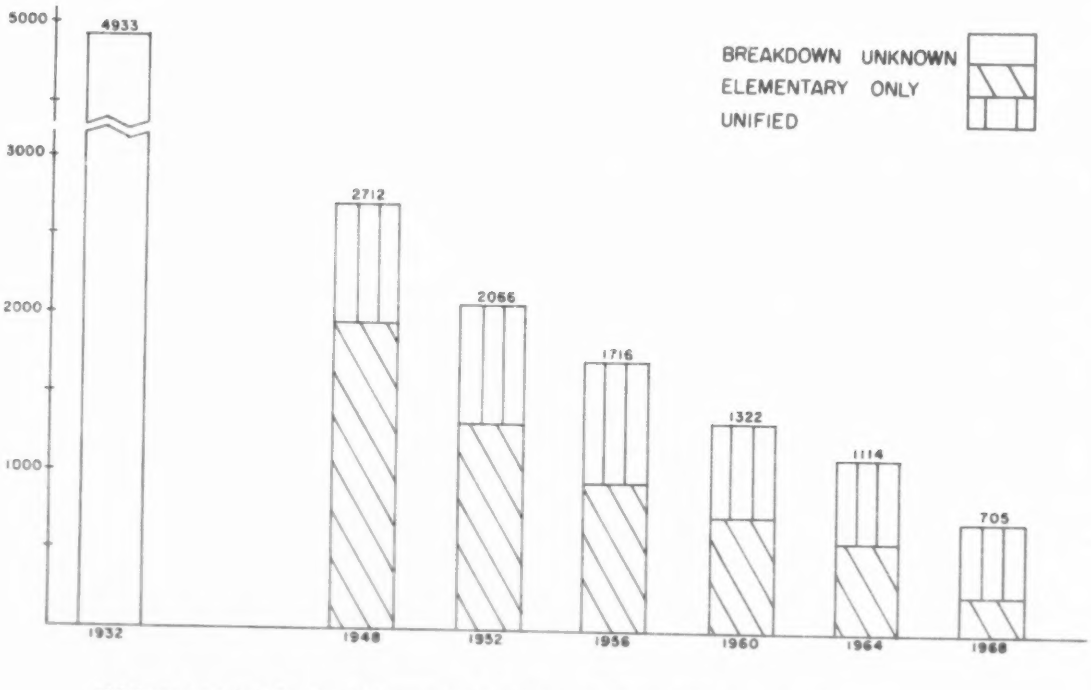
The 1967 legislation also added financial incentives to encourage reorganization by guaranteeing that in the paying of state aid to newly created districts, they were not to receive less money than they would have received if they had not reorganized. Aid to school districts for building assistance has also been established as an incentive feature. Effective July 1, 1968 all school districts were to maintain instruction in grades 1-12 inclusive except with the approval of the state board. In twenty years Ohio has decreased its number of school districts by over 50 percent.

# OKLAHOMA

1949
Elimination on
non-operating
districts as
well as those
with ADA of
less than 13.

1951
Provisions for
assumption of
bonded indebted-
ness.

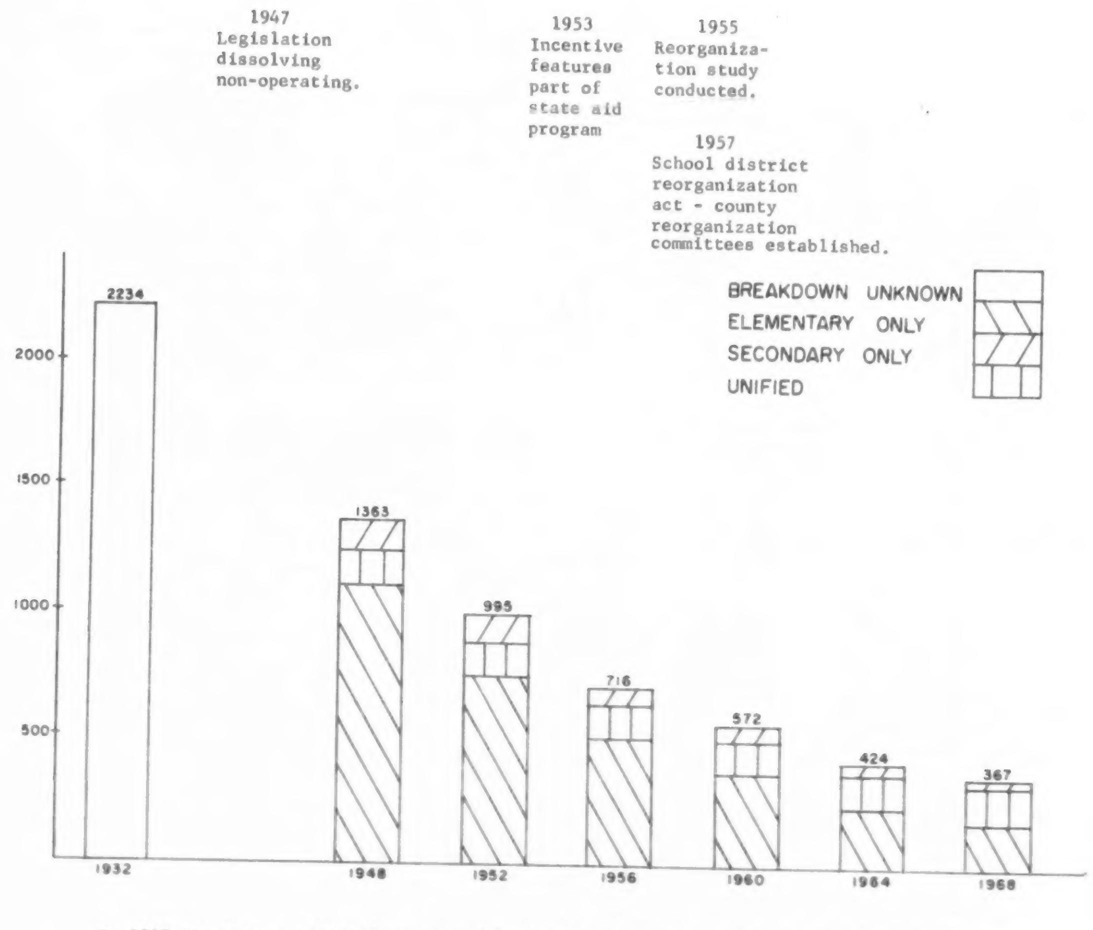
1966
State regulation
sets minimum
requirements for
elementary and
secondary school
accreditation.



Oklahoma had 2,712 school districts in 1948. Of these districts 1,953 operated elementary schools only. In 1949 the legislature passed a law providing that territory comprising all or part of a school district may be annexed to an adjacent district or to or more such districts. The law also provided that a district not maintaining a school within the district for two consecutive years prior to July 1, 1949 or had a legal average daily attendance of less than thirteen children was dissolved and annexed to a district or districts maintaining transportation within the area. The same would hold ture for districts reaching that status after July 1, 1949. An annexed district was to assume its' full share of all legal bonded indebtedness of the district to which they were annexed. In 1951 this section was amended to state that the legal sinking fund indebtedness of the annexed district would be a charge against the territory comprising such districts, and that the existing bonded indebtedness of the annexing district would not apply to the annexed district for a period of not less than three years. Between 1949 and 1960 the number of districts was reduced in the state by almost 1,400.

A state board regulation in 1966 limited high school accreditation to schools having an ADA of 55 students for the 1967-68 school year. Elementary schools were to have an ADA of 30 for grades 1-6 or 40 ADA grades 1-8 in order to be accredited. By September of 1968, Ohio had 705 school districts, 244 of which operate only an elementary school.

## OREGON



In 1947 the Oregon Legislature passed legislation that brought about the dissolution of 252 non-operating school districts by legislative edict. In 1948 there were 1,363 school districts 1,113 of which operated only elementary schools. The 1951 and the 1955 legislative sessions of the Oregon Legislature seriously considered the area of school district reorganization, but other than appropriating money for an extensive study of Oregon elementary and secondary education, little effective legislation was enacted. However, the study did alert Oregon public to the need for major reorganization of the state's school district.

The 1957 legislature enacted the School District Reorganization Act. This legislation required that the school boards in each county alert a 9-member Reorganization Committee to study the school district organization within its county and to prepare and develop plans for the forming of adequate school districts within each county. The plan finally adopted by the Committee was sent to the State Board of Education for approval. The State Board before approving any plan was authorized to conduct a public hearing on the plan. If the State Board approved a plan, it was returned to the Committee that had prepared it and the plan was then submitted to the voters of the proposed district for their approval or rejection. The Act amended in 1959, 1961, and in 1963, and still in operation. In 1962, the County Committees were dissolved and their responsibility for preparing and initiating school reorganization plans within a county was delegated to the County Intermediate Education District Board.

Under provisions of the Reorganization Act of 1957, 201 school districts have been dissolved between 1957 and the present time, and 98 new administrative school districts have been formed. In addition, during this same period of time, 226 school districts have been dissolved by voluntary consolidation procedures. As of June 30, 1969, Oregon has 356 school districts.

## PENNSYLVANIA

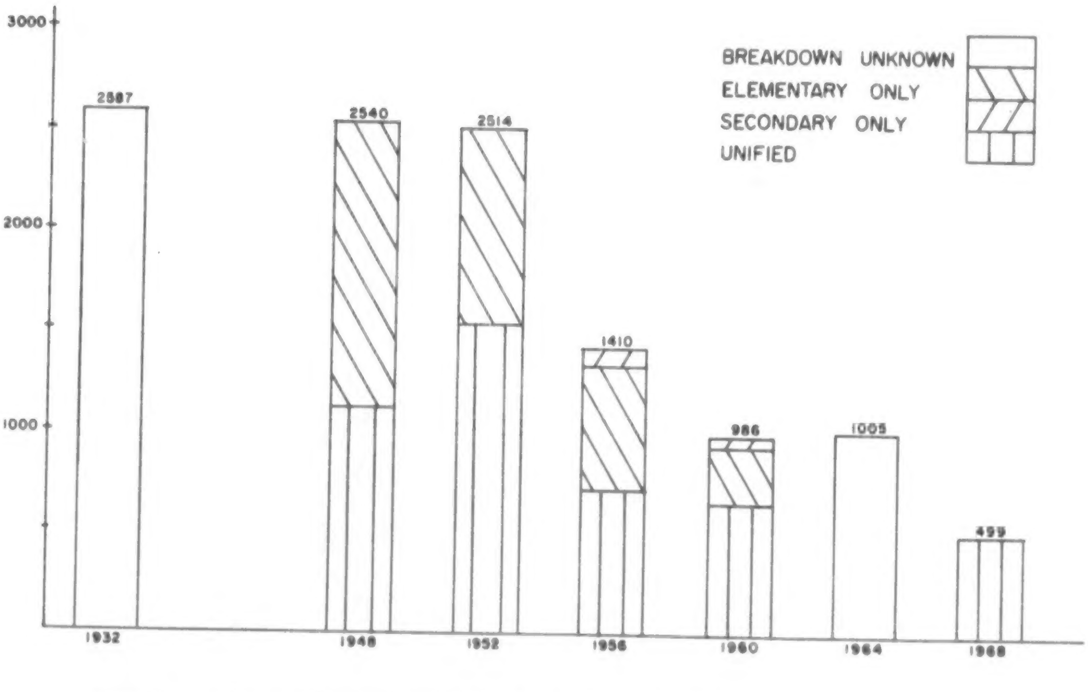
1947
County boards
to prepare
reorganization
plans.

1949
Reorganization
procedure re-
fined - mandatory
consolidation of
ungraded, one room
schools. Incentive
features part of
finance program.

1951
Supplemental
payment to
districts of
certain classes.

1959
Increase of
supplemental
payments.

1963
Vocational-
technical
districts
provided
for reor-
ganization
laws revised.

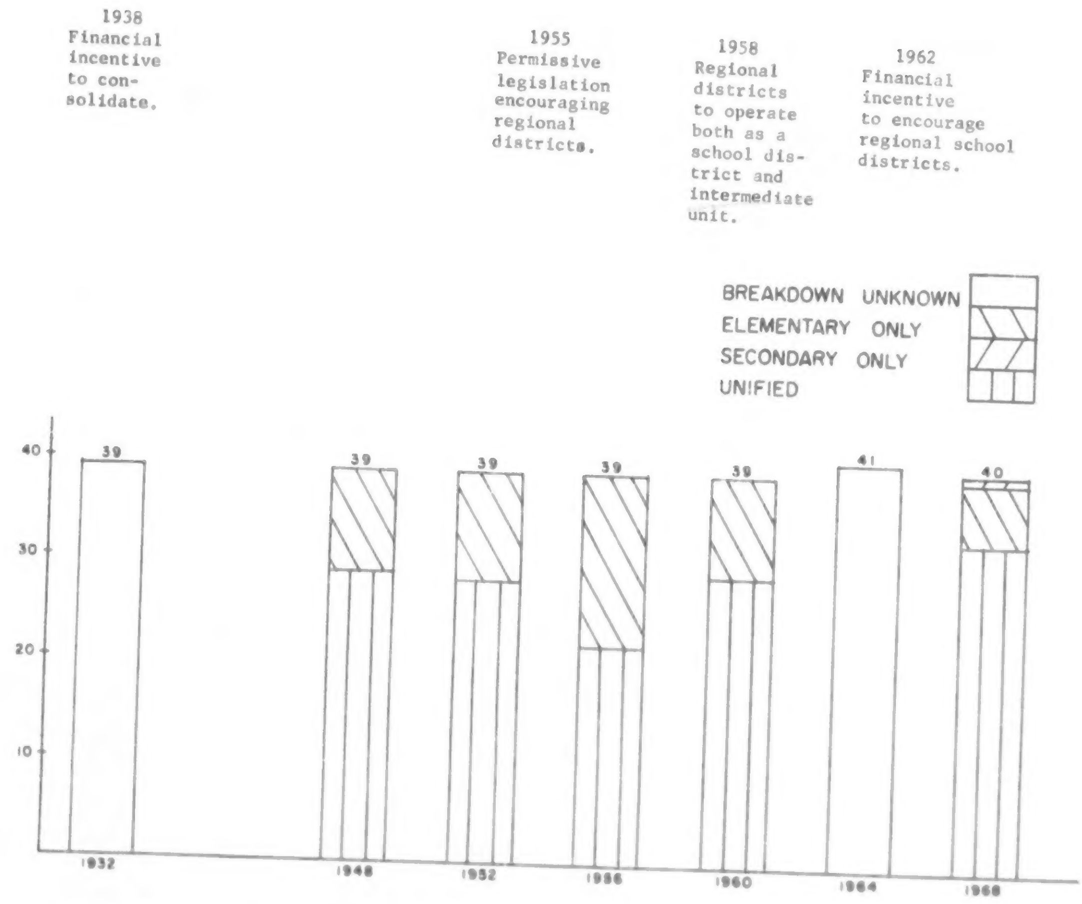


Pennsylvania had 2,540 school districts in the state in 1948. Of these, 1,424 operated only elementary schools. Reorganization activity was stimulated in large part by legislation enacted in 1947 requiring county boards of school directors to prepare county-wide reorganization plans.

In 1949 legislation provided the basic foundation for the reorganization of schools. Reorganization procedures were clearly defined and included provisions for the mandatory consolidation of ungraded, one room schools. Supplemental payments were made a feature of this legislation in 1951 by extending $500 per teaching unit multiplied by the standard reimbursement fraction for joint elementary or secondary schools operated by districts and, $800 per teaching unit multiplied by the standard reimbursement fraction for union and merged school districts. The number of school districts in the state had decreased to 1,432 in 1958. The 1959 legislature increased the supplemental payment features. The bonus aid features of the 1949 legislation were redefined to encourage the formation of larger school districts (First Class A or Second Class).

In 1963 legislation was provided for consolidating and organizing to provide for vocational-technical education. It set forth a financial reimbursement for every resident pupil enrolled in an area-vocational school as well as other catagories providing aid for curriculum improvement and school building costs. By the fall of 1968 the number of school districts had been decreased to 499 of which operate unified districts.

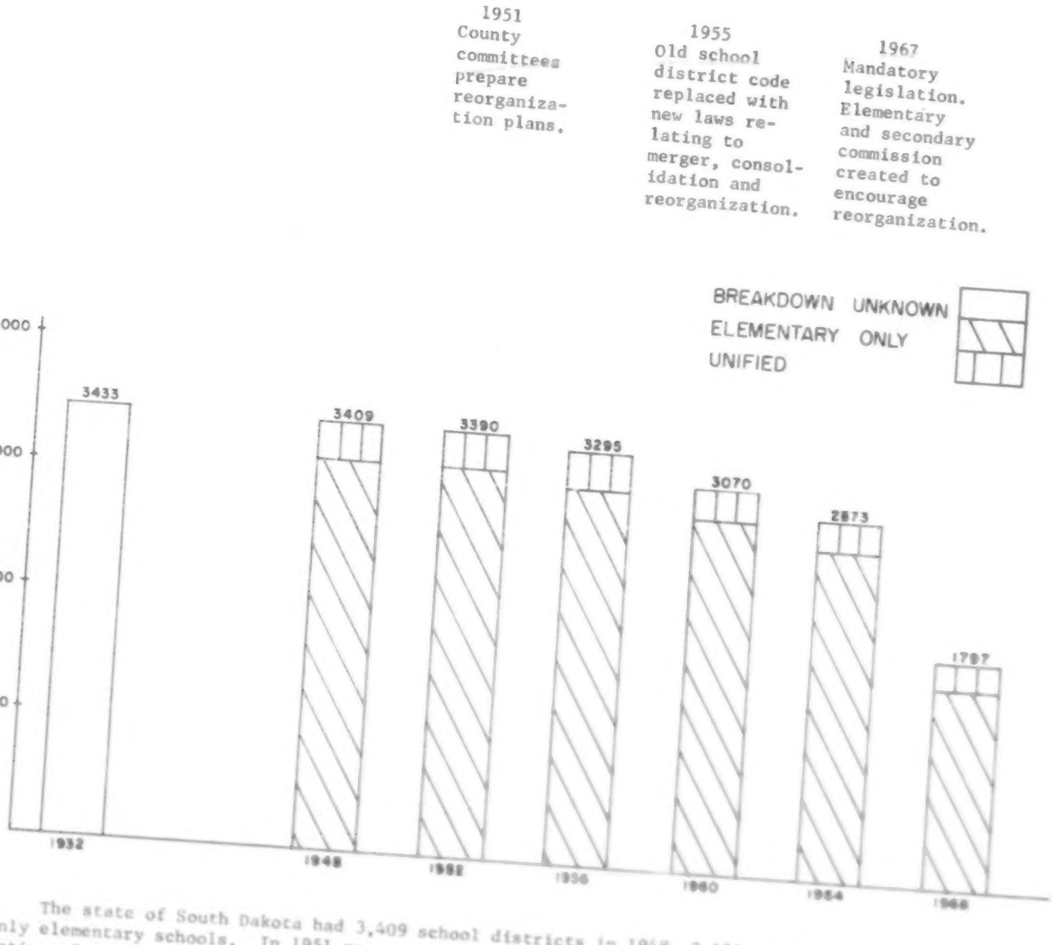
## RHODE ISLAND



In 1904 the state legislature in Rhode Island abolished over 300 school districts and established 39 districts whose boundaries were coterminous with cities and towns. A 1938 law had guaranteed no reduction of state aid because of consolidation and awarded each town $100 annually for each department of the consolidated school. In 1960 the legislature repealed the state aid guarantees, the permissive consolidation powers and the superintendent's salary reimbursement provisions.

The 1955 Rhode Island legislature superimposed permissive legislation to create regional school districts to operate schools. In 1958 this legislation was expanded upon and allowed for regional districts to operate as a school district and as an intermediary unit. Secondly, it removed approval requirements of the regional districts from the general assembly and advisory requirements from the department of education. In 1960, 1962, and and 1967 incentive aids have been added to encourage the creation of regional districts. Basically they consist of the state increasing its share of aid by 2% for each grade consolidated for the first two years of consolidation; the school housing aid ratio shall be increased by 2% for each grade so centralized; and in the case of regional school districts providing vocational training programs the school housing aid ratio shall be increased by 5% in addition to the 2% appropriated for each grade so centralized. Whether or not this legislation has had a profound effect is hard to judge on the basis of statistics available for there were 39 school districts in 1948 and in 1968 this number is listed at 40.

## SOUTH DAKOTA



1951
County committees prepare reorganization plans.

1955
Old school district code replaced with new laws relating to merger, consolidation and reorganization.

1967
Mandatory legislation. Elementary and secondary commission created to encourage reorganization.

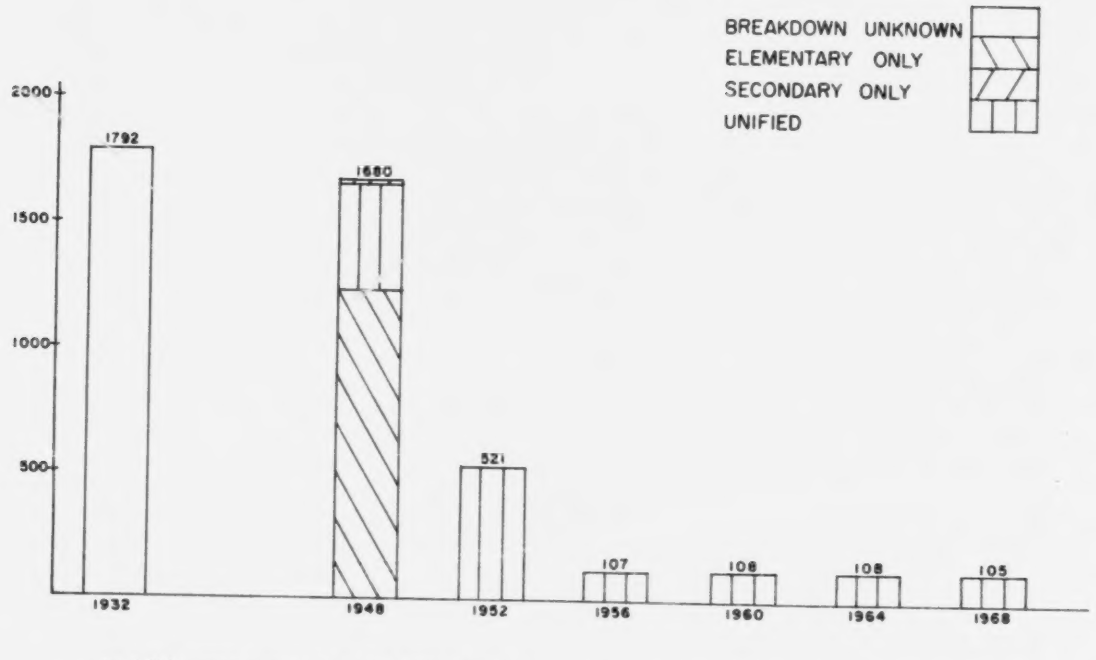
The state of South Dakota had 3,409 school districts in 1948, 3,122 of which operated only elementary schools. In 1951 reorganization legislation was enacted permitting formation of county committees to prepare reorganization plans. By September, 1954, committees had been formed in 18 counties and reorganization elections had been held in three counties. Between 1951 and 1955 the number of districts had diminished by only 26.

In 1955 the legislature repealed the old school district codes. A classification scheme for type of district was established and it became mandatory that all districts in the state be one of the four types. Districts were permitted to merge, consolidate, or reorganize. Between 1955 and 1966 the number of districts decreased by almost 1,000 but there were still 2,388 districts in the fall of 1966. In these 2,388 districts were operating 1,530 one-teacher schools.

A substantial change in legislation occurred in 1967. All territory or land area within the state shall become a part of an independent school district offering an accredited school program meeting the standards adopted by the state board of education on or before July 1, 1970. Guidelines have been established setting forth criteria for the type of districts which can be combined with others. Minimum standards have been established placing restrictions on which districts can receive state financial support. By the fall of 1968 the number of school districts in South Dakota had been reduced to 1,204.

## SOUTH CAROLINA

1951
Major legislative
revision of reor-
ganization process
incorporating fin-
ancial incentives.

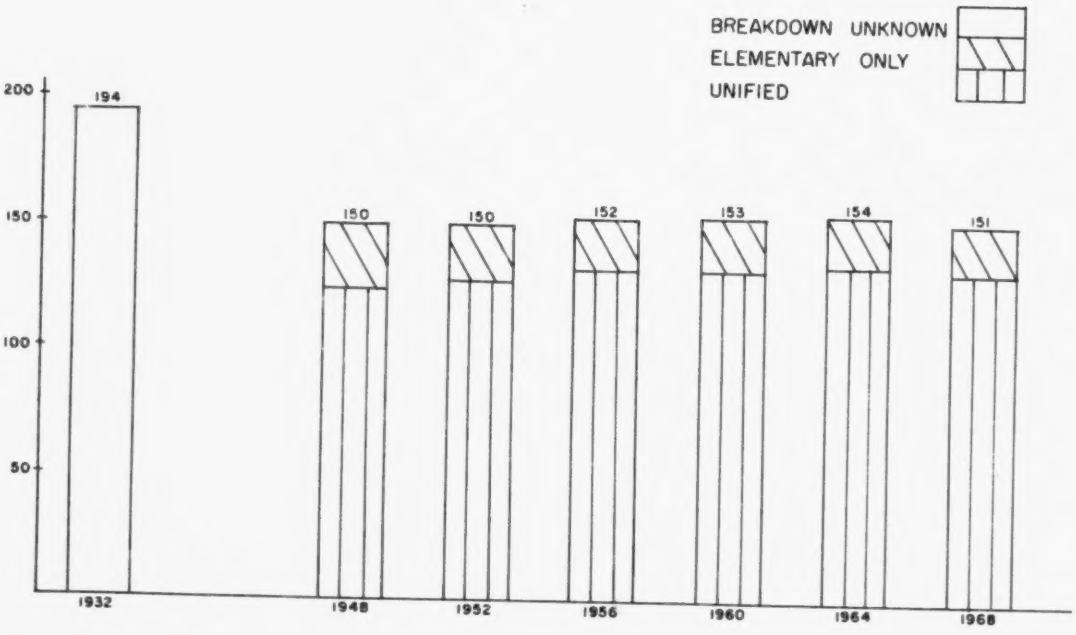


In 1948 South Carolina had 1,680 school districts. By the fall of 1952 the number of districts had decreased to 521, a reduction of 1,159. The 1952 legislature set up the general provisions for establishing school districts that exist in the state today. The legislation provided that alteration of boundaries or division of school districts within a county could only come about by an act of the General Assembly relating to one or more counties or authorization by the county boards. The 1952 code provides for the assumption of all assets and liabilities of the two or more districts forming a new district by the newly formed district on a justly proportioned bases.

Reorganization in the state was encouraged by the enactment in the same year of a 3% sales tax and the providing of school districts with funds for school construction and school bus transportation. The sales tax revenues go into a general fund from which state aid for school districts is drawn. At the time of the enactment of the sales tax the Educational Finance Commission was established to handle the building and transportation program with the mandate to implement the consolidation of school districts so far as practical. Since 1952 the number of school districts in the state has dropped from 521 to a 1968 total of 105.

2

TENNESSEE



1947
City, town or special districts could transfer to county system.

1957
Joint operated schools allowed.

1963
Unified school systems encouraged in county.

Within the period of this study there were three legislative acts directed toward the reorganization of the Tennessee school districts. All three of these acts were in the form of permissive legislation.

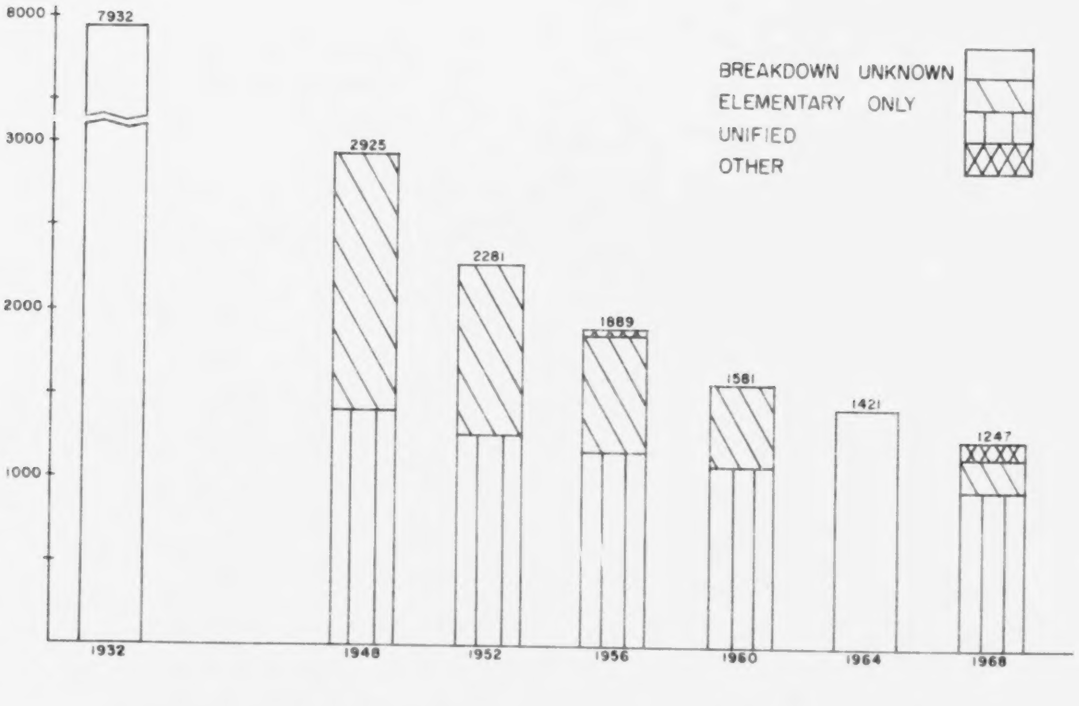
The first was enacted in 1947. It allowed the transfer of city, town, or special school districts to the county system. Action was to be initiated by either municipal officers or by the school boards. Transfer would be allowed upon a referendum of the voters favoring such transfer. In 1948 there were 150 school districts, 124 of which operated both elementary and secondary schools. The second act, passed in 1957, permitted the school systems to form "joint operated" schools by contract between two or more existing systems. By 1960 the number of school districts had increased to 153. The third legislative effort came six years later (1963). The act provided for the creation of "unification educational planning commissions" for the "consolidation of all the public schools within a county into a unified school system." The act details the formation and organization of such county commissions and sets forth a plan for the consolidation of the schools. Consolidation is contingent upon the approval of the majority of voters in each school area affected by the reorganization.

By 1968 the number of school districts totaled 151 with 132 of these districts operating both an elementary and secondary school. Nineteen districts operated only elementary schools and 32 one-teacher schools are still in existence.

# TEXAS

1947
Annexation
laws passed.

1961
Incentive aid
payments designed
to encourage consolidation.



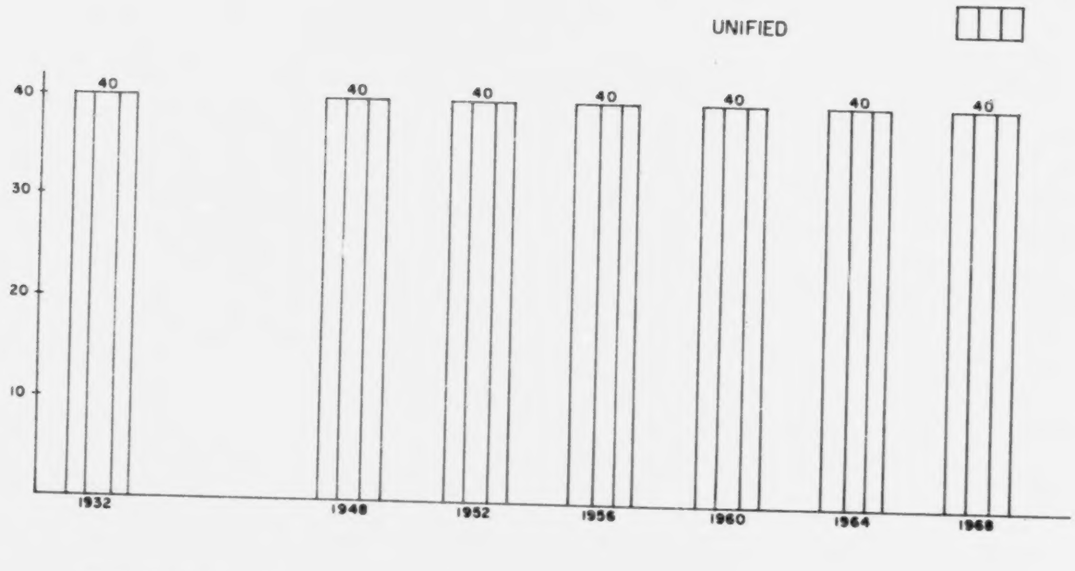
In 1948 Texas had 2,925 school districts in the state. Over half of these districts operated only elementary schools. The 1947 legislature passed legislation authorizing the annexation of any common or independent school to any contiguous independent district. In 1949 the legislature clarified questions concerning the validity of newly created or reorganized school districts. By 1960 the number of districts had dropped to 1,581. Of the 1,344 districts eliminated 1,066 were districts that had operated only elementary schools.

The 1961 legislature provided for incentive aid payments to Independent School Districts created through consolidation. The incentive aid payment is to be used exclusively to retire existing bonded indebtedness or it can be applied to the cost of constructing new buildings. The new districts were not to contain fewer than 1,000 students. In 1963 the act was amended to change the minimum number of students from 1,000 to 750. The 1965 legislature again amended the act to state that where newly organized districts are budget balanced (not eligible for Foundation Aid) the amount of incentive aid payment shall not exceed the sum of Foundation Aid for which the several districts in the new district were eligible.

By the fall of 1968 Texas still had 1,247 school districts. Nine of these were non-operating and 180 maintained only elementary schools.

# UTAH

Constitution
establishes
district
structure.



Two catagories of Utah public schools were established by the state's constitution and one by statute: county schools, schools in cities of the first class, and schools in cities of the second class. Article X, section 6, of the Utah State Constitution sets the classification system; "In cities of the first and second class, the public school system shall be controlled by the board of education of such cities, separate and apart from the counties in which said cities are located." Each county is a district except where more than one district existed in a county before 1943. Each first and second class city boundary is to be one school district.

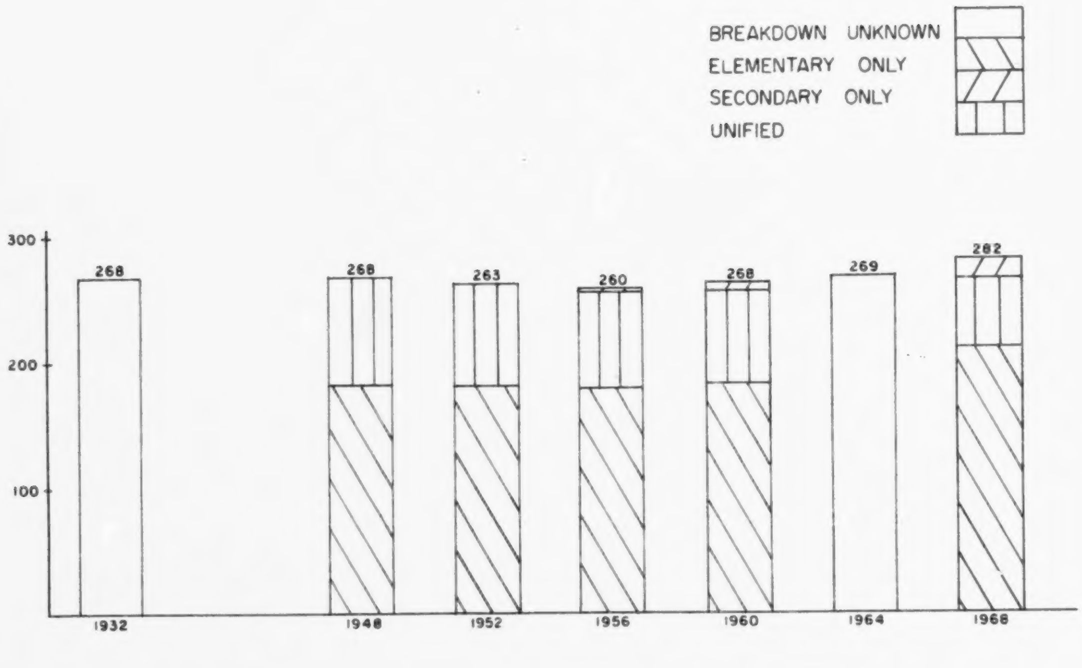
1943 legislation allowed cities to annex county territory. The transfer of county schools into city school systems of the first and second class could be affected when this annexation took place. (USA 53-4-10).

It appears that no major consolidation or decentralization laws have been passed since 1943. In 1944 Utah had 40 school districts, a figure they have maintained to this day.

## VERMONT

1958
Small school
districts to
be combined
into 50-teacher
supervisory unions.

1966
Advisory
commission
to create
reorganiza-
tion plan.



There has been little change in Vermont's school district organizational structure from 1948 when there were 268 school districts to the fall of 1968 when there were 250. Of the 268 districts in 1948, 183 operated only elementary schools and 85 were unified districts.

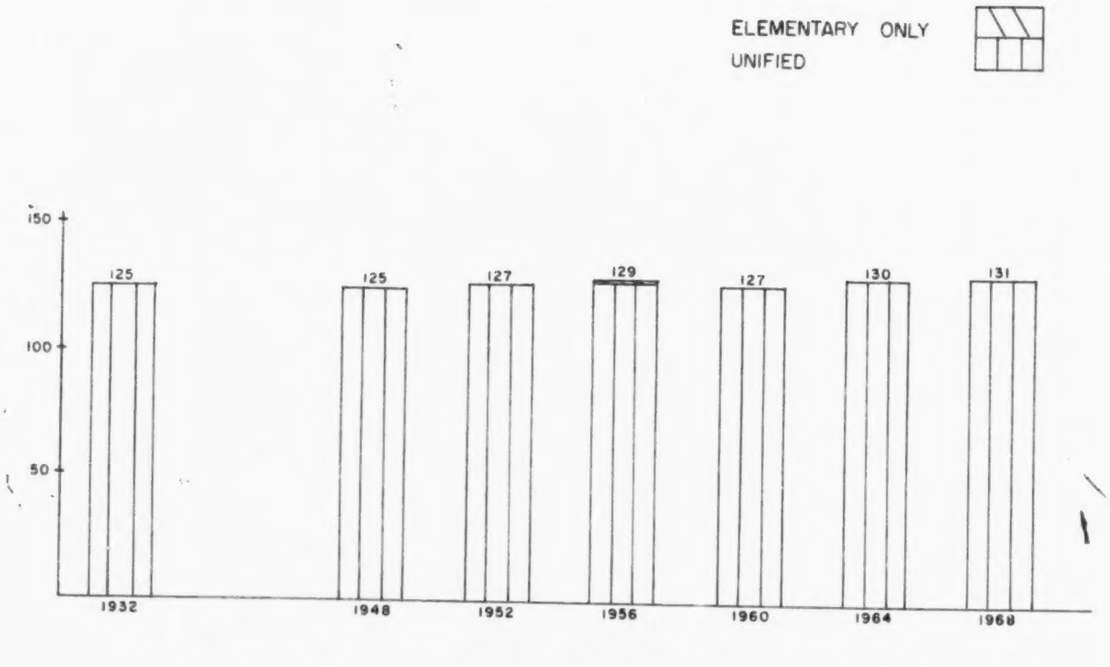
In 1958 legislation was passed establishing five separate school district classifications. The state board of education was directed to combine small school districts into supervisional unions of approximately fifty teachers each. In 1960 there were still 175 school districts operating only elementary schools.

The 1966 legislature encouraged the inclusion of the entire state into reorganized school districts encompassing grades K-12. A State Advisory Commission was organized to conduct studies relevant to the reorganization of school districts and develop a state plan under which local districts were given the option of either accepting it in tote, or else preparing a counter proposal for a reorganized school district. This information was requested to be submitted to the Advisory Commission not later than July 1, 1967; however, a deferment of not more than six months was to be given to those requesting additional time. Of the 250 school districts still existing in 1968 over 180 operated only elementary schools.

## VIRGINIA

1922

County
system
established.



The organization of Virginia school districts was accomplished in the year 1922. At that time the existing school districts were enlarged so as to make the Virginia school system a county system. Since 1922 school boundaries have remained very stable, with adjustment to a few individual districts being the only changes.

Attention has been given to establishing consolidated schools of sufficient size to offer comprehensive education programs at reasonable per-capita cost. Improved highways and aid to local school divisions in meeting the cost of pupil transportation have helped to reduce the number of schools within the counties of Virginia from 4,055 in 1948 to 1,846 in 1968.

## WASHINGTON

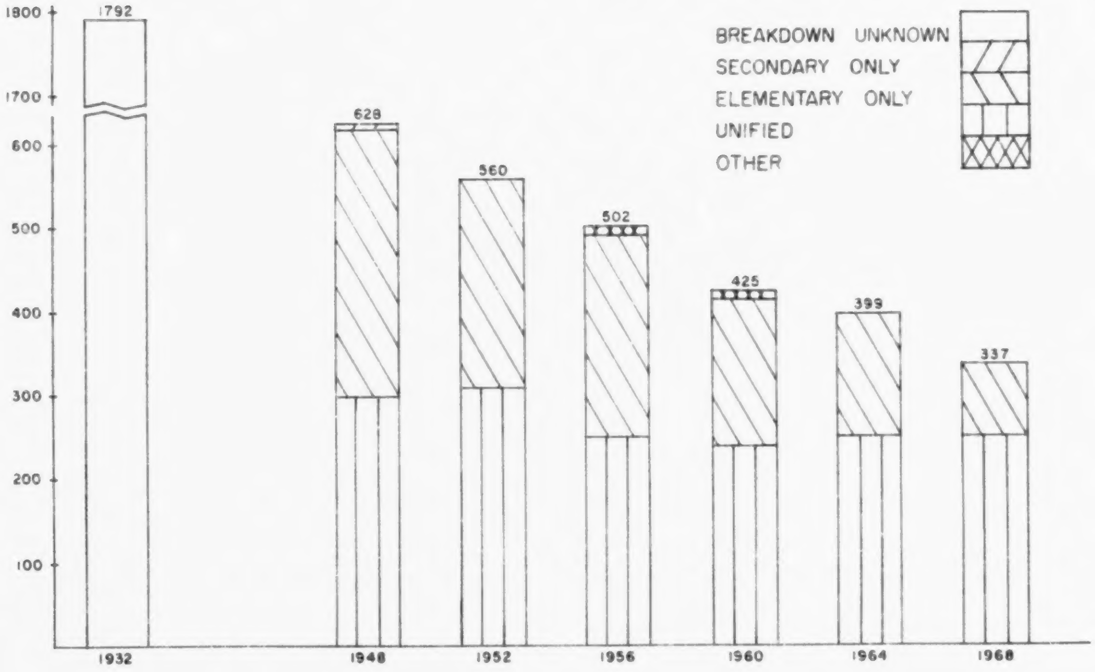
1941
State and county
committees initiate
reorganization.

1947
Revision of 1941
legislation.

1957
Revision in
voting procedures
regarding reorganization.

1959
Transfer, annexation of territory
to or from union
high school districts.

1969
Financial
incentive.



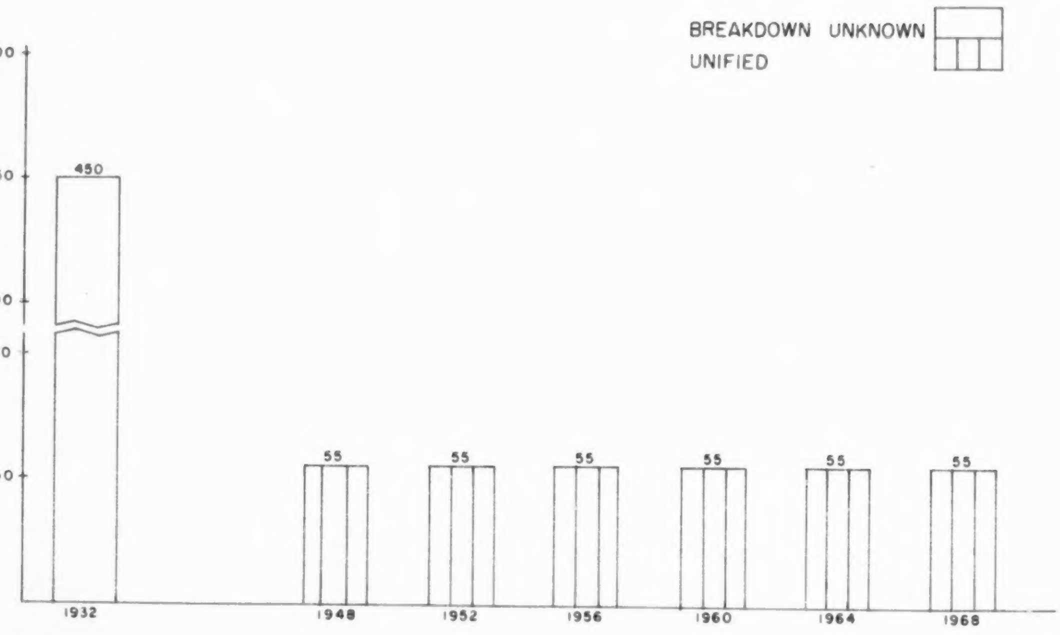
In 1919 legislation was passed establishing county districts. In 1946 county boards of education were given the right to consolidate two or more schools into one school in their county if in their opinion, the welfare of the schools and the best interest of the pupils required it. In 1951 the legislature provided that the state could withhold capital outlay allotments from school districts the state department felt should consolidate.

In 1968 Georgia had 193 school districts in the state whereas in 1944 they had 223. In brief the pattern is the 1919 establishment of county districts along with permissive legislation to allow independent districts to join the county district. The 1946 law encouraged the county districts to consolidate their local districts. In 1951 pressure had been applied to help consolidation by withholding capital outlay payments to districts the state department feels should consolidate.

Although little change has come about in terms of the number of school districts, over 6,000 schools have been eliminated through consolidation from 1948-66. The legislation has resulted in a drastic reduction and elimination of one-teacher schools as the number was 1,758 in 1948 with the 1968 total being zero.

# WEST VIRGINIA

1933
County
system
established.



West Virginia had 450 school districts in 1933. At this time the state maintained a trichotomous division of school districts listed as magisterial districts, magisterial sub-districts and independent districts. The 1933 legislature abolished these three types of districts in legislation designed to consolidate and unify school districts by counties. Since that time the 55 counties in the state have constituted the boundary lines for the 55 school districts.

The biggest change in West Virginia has come in terms of the number of schools. In 1948 there were 4,526 schools in the 55 districts, 2,528 of which were one-teacher schools. In 1968 the number of schools had dropped to 1,491 with the total of one-teacher schools reduced to 73.

## WISCONSIN

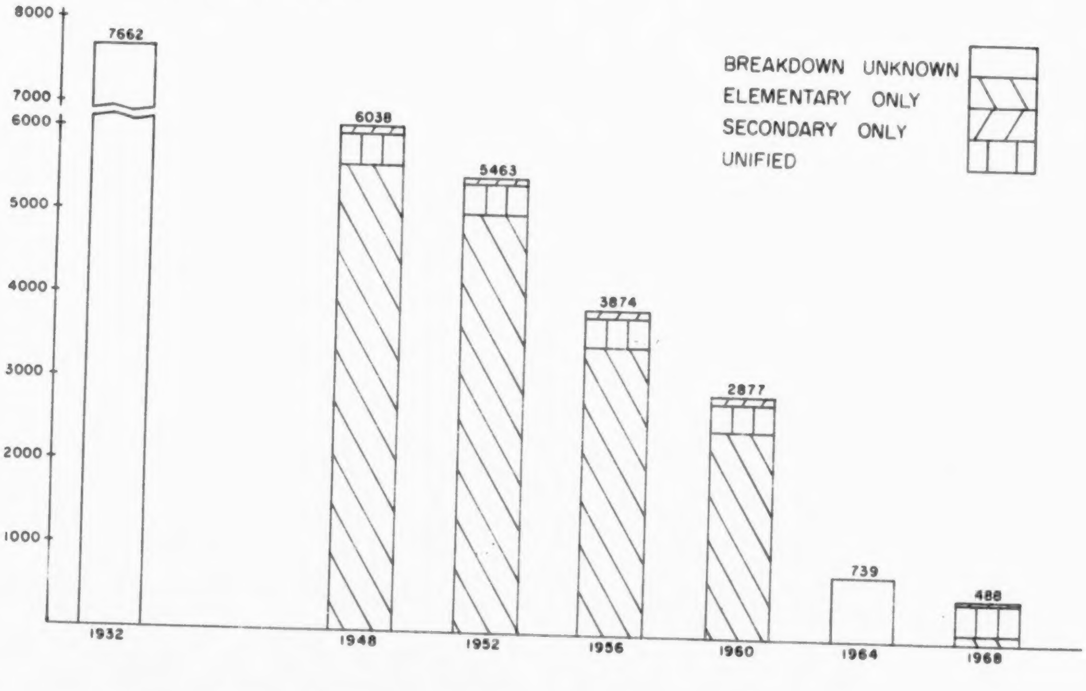
1947
County committees appointed to study and recommend plans for reorganization.

1949
Plans for reorganization to be submitted by July 1, 1951. Finance plan adopted.

1953
Non-operating schools abolished.

1959
All territory to be in high school districts.
Provision made for creation of unified districts.

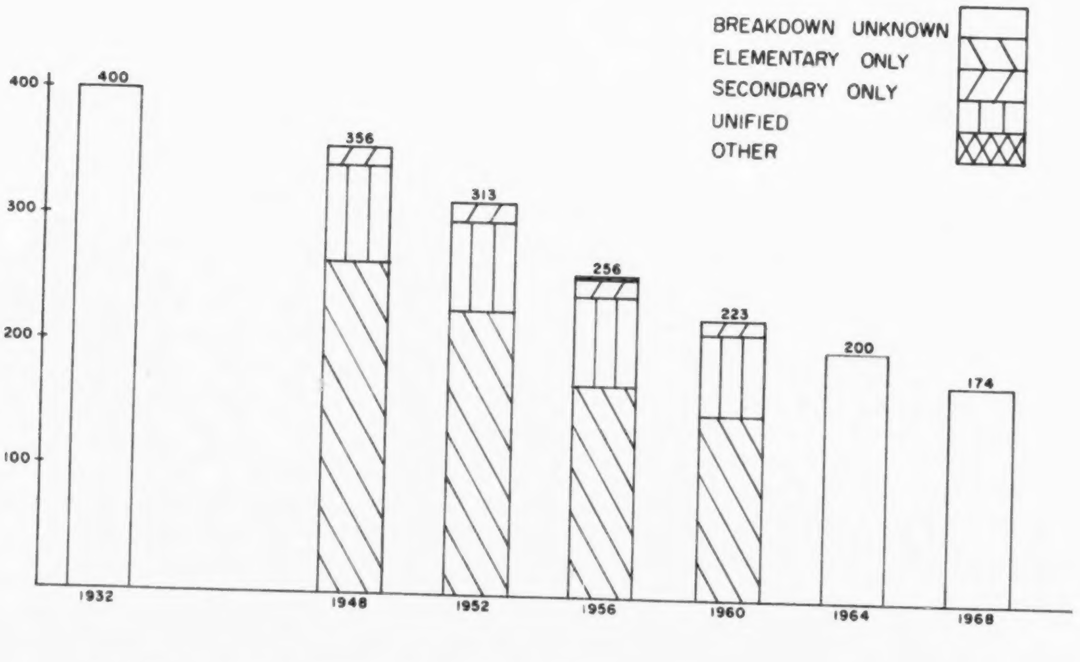
1966
Agency school committees established.



In 1948 the state of Wisconsin had 6,038 school districts. Legislation passed in 1947 helped to stimulate reorganization by appointing county committees to study and recommend plans for reorganization. A 1949 amendment provided that the county committees were to file with the State Superintendent by July 1, 1951 comprehensive county plans for the establishment of administrative units which would include grades K-12 or 1-12. Orders for reorganization issued by county committees were made subject to referendum. The major features of the State School Finance Plan were also established in 1949 with provisions rewarding Integrated Aid districts more favorably than Basic Aid districts. Since the passage of this aid program over sixty Union High School Districts (maintaining programs for only grades 9-12) have disappeared. The 1953 legislature passed legislation dissolving all non-operating districts. These districts were attached to a new school district by referendum or by an agency school committee. Between 1948 and 1958 the total number of districts in the state was reduced from 6,038 to 3,264. In 1958 there were still 42 non-operating districts and 2,811 operated only elementary schools.

In 1959 the legislature stated that any territory which is not included in a district which operates a high school on July 1, 1962 shall be attached to, created into, or consolidated with a district operating a high school. This act was repealed in 1965 when it had completed its purpose. By the fall of 1968 the number of school districts in Wisconsin had been reduced to 488. There were still 16 non-operating districts and 83 districts were maintaining only elementary schools.

## WYOMING



1957
State and county
committees to
plan reorganization.

1969
Voters cannot
block reorganization.

In 1948 the state of Wyoming had 356 school districts. Of these districts only 76 operated both elementary and secondary schools. By 1956 the number of school districts had dropped to 256. The 1957 School District Reorganization Act provided for a broad reorganization (mainly within counties) to be carried out by a state planning committee acting through elected county committees. By the fall of 1968 the number of school districts had been reduced to 174. The 1969 legislature revised the 1957 reorganization legislation. The basic plan of organization involves putting all of the counties of the state into one or more unified school districts on or before January 20, 1972.

## SUMMARY

This chapter has presented a graphic display with accompaning narrative of how the different states have utilized legislation to encourage school district reorganization. The longitudinal profiles have contained information on the type and total number of school districts over the time period 1948-68. Also presented in the profiles on a chronological basis were the types of legislation present in each state during periods of reorganization. activity. A brief explanation of the legislative features was given in the descriptive narrative as well as what was happening in regard to school district reorganization at the times the legislation was enacted.

This chapter was designed to identify not only the states that have accomplished a high percentage reduction in number of school districts, but also the type of reorganization activity that has taken place. In addition, it has provided an opportunity for the reader to associate reorganization activity with certain types of legislative programs.

In those states where county units were not established previous to 1948, there were certain timespans between 1948-68 where there was more school district reorganization taking place than others. This chapter has demonstrated that the following factors were typical of what one may find during these period of increased activity: state, regional, county, or local planning committees authorized by state legislatures to play a major role in encouraging school district reorganization; studies or master plans being developed by public or private agencies recommending an appropriate organizational structure for local districts; the removal of restrictive voting and petitioning procedures for acting on reorganization; and legislation setting up the machinery for effecting reorganization supplemented by incentive aid features of either a special or foundation nature.

A review of the profiles has shown that some states have utilized mandatory legislation providing for the dissolution of non-operating and ungraded, one room schools as a measure for effecting school district reorganization. Some states have gone a step farther and have successfully utilized mandatory legislation with financial incentives to stimulate a more general type of school district reorganization.

One other important thing that is evident from reading this chapter which will also be emphasized in Chapter IV and VI of this volume, is that only occasionally is it a single legislative provision or feature that is present during times of increased reorganization activity. As one can see, the decrease in number of school districts has generally been the result of a combination of factors or a total legislative package that has often been developed over a period of years with each feature contributing something to the reorganization process. It is also evident from the profiles that similar pieces of legislation or financial features do not have the same impact in one state that they may have in another.

What follows in this volume is designed to add breadth and depth to the question of school district reorganization and the full meaning of the legislation summarized in this chpater and discussed in more detail in Chapter II, Part I. After a review of the relevant literature, the impact on reorganization of legislation and finance features will be more thoroughly analyzed in selected states.

# CHAPTER III

# REVIEW OF SELECTED LITERATURE AND RESEARCH

The historical profiles do indeed indicate that within the last 20 years there has been great activity in the states to reduce the number of school districts. Clearly, one of the accomplishments has been the virtual elimination of the one-room, one-teacher school house from the American scene. All of this has resulted in fewer and larger school districts. This chapter examines the literature related to the general topic of school district reorganization. This report of selected literature and research is certainly not exhaustive. However, a representative variety of investigations, research findings, and supported opinions are included.

## RELATIONSHIP BETWEEN SCHOOL DISTRICT SIZE AND EDUCATIONAL QUALITY

Reports of research pertaining to the relationship between the size of school districts and the quality of the educational experience are in great abundance and many criteria are used as guides. These criteria have been organized in three general sections: pupil achievement studies, studies of intervening variables (sometimes referred to as process or situational variables) and lastly, authoritative opinion.

### PUPIL ACHIEVEMENT STUDIES

Considerable research has focused on the relationship between pupil achievement and school district size. Since the age of the learner seems to be a function of the relationship between pupil achievement and school district size, the conclusions of research studies are summarized according to elementary, middle, and secondary schools.

### Pupil Achievement and the Size of Elementary Schools

Possibly the most significant research concerning educational quality factors in relation to reorganization and size has been a longitudinal study by Kreitlow of the University of Wisconsin. This study, now in its twentieth year, has compared two groups of pupils--those attending school in reorganized districts and those in non-reorganized districts--on a number of output variables. In 1949 and 1952, the first graders in five reorganized and five non-reorganized communities became part of a sample which is still producing data. The progess of these two groups has been measured and analyzed as they have moved through school and out into the world of work. The same students have been followed throughout the study, thus the sample was reduced from 700 in grade 1 to 300 in grade 12 because of migration out of the communities. However, this rigid control of all of the conditions except the size of the school made it possible for the investigator to study the effect of but one variable on pupil achievement.[1]

Kreitlow's conclusions are consistent with those of others who have investigated this topic. The differences in achievement that developed in grades 1-6 showed an advantage in the reorganized districts. These findings led Kreitlow to conclude:

> One can place considerable confidence in the differences represented here and these data firmly establish that by the time these youngsters have been in a reorganized school system six years, they have academically outperformed the control group being taught in traditional non-reorganized school communities.

Patten[2] continued some of the investigations which were initiated earlier by Kreitlow. All students were tested at the grade one level and again at the sixth and ninth grade level. Students were tested for significant difference between mean scores on total achievement at the respective grade levels. Major conclusions concerning grade one indicate that school district reorganization had little effect upon academic achievement. However, at sixth grade level, school district reorganization seems to have a positive effect upon academic achievement. Students in a school district reorganized for a longer period do significantly better than those in a district reorganized for a short period of time. This suggests an upward moving of achievement pattern in the reorganized system. At ninth grade school district reorganization was also found to have had a positive effect upon academic achievement. Also, students in school having been reorganized for a long time did significantly better in evaluations than did students in newly reorganized schools.

## School Size and Pupil Achievement in Middle Schools

An early and important study relative to the relationship between school size and educational output was conducted in 1949 by Dr. Hieronymus[3] of the State University of Iowa. Seventy-one thousand pupils in grades 6, 7, and 8 were tested. The correlation between school size and pupil achievement was generally positive and consistent throughout this study. On the first four tests, differences favoring the larger schools were consistent and relatively large. In grade 6 on the reading test, for example, the differences between the average performance in schools in Class 6 (90 or more pupils per grade-city schools) and average rural pupil performance was 70.5 - 61.7 or 8.8 school months. Also, average sixth grade performance of the Class 6 schools on this test (70.5) was higher than the average seventh-grade performance by rural schools (70.1). The seventh grade reading average for Class 6 schools also exceeded the eighth grade average for rural schools.

The differences in arithmetic were much smaller than those in the other areas, but still favored the larger schools. The explanations for this are many. In arithmetic, grade level of achievement is rather rigidly controlled by grade placement of concepts and processes. Most arithmetic skills are learned in school, in a particular grade, and during a particular time of day. Quality of instruction in general is less dependent on quality of teaching and supplementary materials, and relatively more dependent upon the textbook and the exercises therein. There is also, of course, a tendency to devote relatively more time to arithmetic in smaller schools.

Hieronymus found that the greatest difference in achievement usually occurred between schools with multiple grade teacher load and single grade load. The data suggested that a teacher for each grade induces higher achievement in basic skills.

High School Size and Quality of Educational Output.

In discussing the relationship between achievement and school size, it should be noted that specific examples of outstanding achievement--either by small or large schools--do not in themselves constitute valid evidence on this question. Good judgement can be inferred perhaps only from repeated observations on a relatively large representative sample of schools of varying sizes. Dr. Leonard S. Feldt[4], University of Iowa, applied the widely used Iowa Tests of Educational Development achievement tests to high school students in 1956 and compared results and found "overwhelming" evidence that in Iowa graduates of small schools, on the average, achieved significantly below the graduates of larger schools. The Feldt study is an important one with exceptional statistical treatment.

Feldt found that in every major area the average achievement of ninth grade students in the largest schools was consistently higher than that of students in the smallest schools. Pupils in the moderate sized schools made average scores consistently below those of the largest and above those of the smallest systems. But these differences cannot be deemed a function of the high school program. Since the Iowa Tests of Education Development were administered in the fall, the impact of high school instruction had not yet revealed itself. These differences are, in all likelihood, the result of differences in the quality of the elementary instruction which the pupils have received. Since differences in high school enrollment are closely related to differences in elementary school enrollment, the discrepancy in average scores is no doubt related to organizational characteristics of the lower grades.

However, Feldt's statistics show the averages for grade 12 have the same trend as those for grade 9--highest achievement in the largest schools, lowest achievement in the smallest schools. But what is more important, in each area the discrepancy between achievement in large schools and achievement in small schools has increased between grades 9 and 12. In every area, attendance at a small school has resulted in a cumulative handicap which is clearly evident by the time the pupil begins his senior year.

Another way the differences in achievement may be brought out is by comparing the typical senior class in a large school to all the senior classes in small schools within the state. The typical senior class in a large school is, by definition, an average one--it exceeds 50 percent of senior classes within the size category. Yet when this average large class is compared to senior classes in small schools, it seems distinctly superior. It ranks above 71 percent of the small school classes in social studies and 67 percent of small school classes in science. In the composite of all areas the average of seniors in a typical large school surpasses the average of seniors in 72 percent of all small schools. Such a difference is clearly an important and meaningful one.

It is probably significant that a marked rise in average school performance within the state coincided closely with the onset of the reorganization movement among Iowa high schools. Prior to 1956 average performance of Iowa high school students had remained relatively stable for a number of years.

In the period from 1948 to 1955, careful annual examination of test data revealed no appreciable shift in average student achievement. Beginning in 1956, however, and continuing every year since that date, average test performance in Iowa has consistently risen. What is more, this rise has occurred during a period of increasing enrollment in the Fall Testing Program. Enrollment increases, by themselves, often result in lower average achievement, since newer participants more often come from the economically less favored than from more favored districts.

Many investigators have examined the relationship between school district size and pupil achievement in a number of states. Interest in this subject was intense shortly after World War II. Some of the early studies have been continued and are still producing; however, there are fewer recent broadbased investigations on this subject. While this loss of interest may be attributed to a number of factors, the harmony of conclusions may have convinced potential researchers that further investigations would produce little new knowledge on the subject.

The principal conclusions of the cited research follows:

1. There is a consistent increase in average achievement in the basic skills with size of school. Achievement in the larger city schools averaged nearly a year above that in rural and village schools in the reading, vocabular, work-study, and language skills. Differences in the arithmetic skills favored larger schools, but were less pronounced. Differences favoring larger schools were found consistently at all levels of ability.

2. Consistently large differences in average achievement were found in favor of schools employing a teacher for each grade over those in which a teacher is responsible for more than one grade.

3. Students in a school district having been reorganized for a long time do significantly better on achievement tests than do students in newly reorganized districts.

4. The advantages of larger schools seem to be cumulative. The differences in performance between pupils in large and small schools increase as the pupils' progress toward the upper grades.

5. Pupils with all levels of ability seem to learn more in larger schools than their counterparts in small schools.

6. The products of multi-grade schools (more than one section per grade) out perform the pupils in single-grade schools.[5]

Of course, there are some limitations to be recognized to most of all of the cited studies. First, the measures of output were limited to pupil performance on standarized achievement tests. These tests cannot measure all of the important things that are taught or learned within a school. A second, and perhaps more serious limitation, is the failure of all of the researchers except Patten to control for some important out-of-school variables which have an effect on pupil achievement. For example, pupil achievement is related to socio-economic class and a host of other non-school variables. The observed difference in pupil achievement between large and small schools could be related in part at least to higher concentrations of low-income families in rural areas where small schools are typically located.

## STUDIES OF INTERVENING (PROCESS OR SITUATIONAL) VARIABLES

One of the important situational variables in the larger school district in contrast to the smaller one is the program scope. Horton[6] studied programs in a large, representative sampling of North Central schools in relation to school size. Using NCA Evaluative Criteria, Horton obtained a .43 correlation between data and program of studies. This interpretation shows that size of school was related to the quality of the educational program provided by the school. He states that larger schools were accompanied by a higher quality educational program, expecially as reflected in program of studies which he defines broadly as organization, curriculum development procedures, subject offerings, and general outcomes.

More specifically, Amberson[7] explored situational factors and other variables relating to the availability and quality of vocational education programs in various sized high schools. A 50 percent sample of 1,705 school administrators in Colorado, Idaho, Montana, North Dakota, Nevada, Oregon, South Dakota, Utah, Washington and Wyoming were asked to identify considerations believed to be most important indicators of vocational education outcomes. Although 34 percent of all high school students were found to be taking, or to have taken a vocational education course, small schools cited unbalanced or inadequate programs as of greatest concern.

J. Alan Thomas[8] in an extensive study in Michigan indicated a close relationship between school district organization and educational programs. The Michigan study found that in general, the very small districts are limited in the variety of programs and services they are able to provide. In cases where programs and services have to be offered at a suboptional level, the small districts tend to incur high unit costs. The fact that they offer only a limited range of services results in a total cost per student which is often as high or higher than that in larger districts.

Clarence E. Ackley[9], speaking at a symposium conducted by the Princeton Tax Institute, deplored not only the existence of small and inadequate school districts but also criticized the type of reorganization activity that was taking place. In eight states, 552 reorganized districts had been established since 1940; but 78 of these districts had fewer than 300 pupils each; 125 had between 300 and 500 pupils each; 150 had between 900 and 1,600 pupils each; and only 81 of these so-called reorganized districts had as many as 1,600 pupils each. Reorganization of this type perpetuates school districts too small to operate a good program of education. The prevalence of illogical organization of school districts had created:

1. Unnecessary duplication of facilities.
2. Existence of token rather than adequate facilities--expecially in shops and laboratories, libraries, gymnasium-auditoriums, and cafeterias.

3. Excessive per pupil costs:
   a. in administration
   b. in school plant maintenance
   c. in teacher-pupil ratios
   d. in education services, health, recreation, etc.

4. Inability to provide a suitable variety of subjects, courses, services, and activities.

Chisholm and Cushman[10] say that:

> "As the size of the school becomes larger, up to certain limits, the quality of its educational program generally becomes more satisfactory and the per capita cost of its educational program generally declines...School district reorganization generally may be expected to result in: the same educational program at a lower cost; and improved educational program at the same cost; or more favorable conditions under which major improvements in the educational program may be made as additional money for schools is made available."

Bunger[11] reported achievement of college freshmen coming from different sized schools. The number of courses offered in high schools was positively related to achievement in college.

Harris[12] in studying 113 school districts in Oregon, either intensively in person, or through use of a major survey instrument, found that small school districts made little use of state department of education services and also that the point of improvement most often felt needed was in library materials. Thus, in small districts the educational programs were static and limited by this isolation from experts and with inadequate information available.

Carlson[13] found in a state of Washington study that the educational and vocational plans of students in large high schools were much more specific than those of their counterparts in small high schools. In the large high schools both boys and girls had a greater expectation to continue formal training. For one thing, in the large high schools guidance counselors were available, whereas administrators attempted to perform this service in small high schools. Carlson identified four characteristic weaknesses of small high schools. Small high schools have only a narrow, limited academic or college preparatory program. There is a limited program of educational and vocational guidance. Teachers have multiple assignments requiring many different preparations, and sometimes in areas where they have had no training. Lastly, the extracurricular program has an overemphasize in athletics, sometimes the only outlet for students.

On this last point of extracurricular activities, a study was done in Southern Illinois counties in 27 high schools by Goller.[14] This was an extensive one covering physical, social, and club activities as well as arts and crafts, music, dramatics and nature studies. It was found that school size does influence pupil interest in these schools. The large schools generated greater interest in golf, tennis, play reading, puppetry and astronomy. Greater interest in medium schools was for badminton, field hockey, soccer, speedball, sewing, and woodwork. Small size schools seemed to have more interest in basketball, softball, and band. However, the size of the school also has an influence on the availability of the activities.

Hall[15] studied 200 public high schools from districts in all 75 counties in Arkansas and found that enrollments ranged from 15 to 2,200 students with a median size of 129. He concluded that the relationship of enrollment size to 12 variables applied in the study gave evidence that there is a minimum enrollment size of school districts expect to operate with a reasonable efficiency. One example, was the pupil-teacher ratio. According to studies and authorities, a pupil-teacher ratio range of 20/1 to 26/1 is most desirable. In studying this variable, assuming the ratio is acceptable, Hall found that an enrollment size of from 450 to 1,000 students was needed to obtain such ratio range in Arkansas. Another variable, teacher preparation,was studied. A minimum of 280 students were enrolled when the logarithm curve indicated there were 33 percent Master's degrees available. Hall's regression equation shows that if a third of the faculty were to have Master's degrees in Arkansas, an expected enrollment of 430 students in a high school would be needed.

Still another Hall variable on staff characteristics suggests that arbitrarily assuming average experience of a faculty member of eight years or more to be desirable, an enrollment size range of from 260 to 490 high school students is needed. A final element to be mentioned here is the suggestion that the most favorable enrollment size range for the two variables, enrollment size and professional experience of principals, is from 500 to 1,200 students. This positive correlation was found significant at the .01 level when subjected to the test.

To sum up these findings, Johns and Morphet[16] conclude:

> "Few, if any, small school districts can be justified under any conditions...Generally speaking, small schools tend to be both expensive and unsatisfactory. Relatively small high schools are even more expensive and probably less satisfactory than small elementary schools. The small number of pupils per teacher usually found in such schools is the greatest single factor contributing to high costs, but the limited range of offerings possible tends to limit the adequacy of educational opportunity."

A recent study used the total population of 181 Colorado school districts, thus avoiding the criticisms leveled at sampling which prevents or distorts generalizing. In this study by Hooker[17] Rose and Alkire, in answering the question:

> What were the relationships, if any, between educational performance measure and selected measures of organizational characteristics, (pupil size, wealth, location, expenditures), found in and among the 181 Colorado school districts during the most recent times?

Measurement data already collected and centrally located were used, i.e. published reports and magnetic tape files from the Colorado State Department of Education. On the measure of pupil enrollment, Colorado's 181 districts range from less than 15 to over 96,000 pupils. About 34 percent of the school districts enroll less than three percent of the pupils and about 16 percent enroll over 79 percent of the pupils. By using various data, the school districts were categorized into four groups and then compared on five measures: (1) pupil enrollment, (2) assessed valuation per pupil, (3) expenditure per pupil, (4) state aid per pupil, and (5) superintendent salary. Also, computer technology permitted the profiling of the 181 school districts on the 21 selected input, process, and output measures. These profiles were stored on microfilm. This system could be continued and made more useful as comparisons could be made on measures of similarity such as size, location, etc. The answer to the question posed, "Were there any relationships between district pupil enrollment and educational performance in and among Colorado school districts?" was given a qualified response. To the extent that the Educational Performance Index measured the relative overall performance levels of districts there was a positive relationship, but not statistically significant. It was finally emphasized that: "The continued use of an expanded measurement and profiling program is recommended if better basic systems' input and output measurements can be recorded for the population of school districts in Colorado".

## AUTHORITATIVE OPINION

Back in the 1930's George Strayer[18] recognized the need for reorganization and urged reform:

> In most of the states there is need for the reorganization of local administrative areas. The members of the profession are aware of the need for the consolidation of the thousands of local areas in which ineffective schools are maintained at a cost altogether out of proportion to the service rendered. . . . The obligation to be met is that of making provision for some millions of children whose educational opportunities wait upon the accomplishment of this reform.

Fitzwater[19] has pointed out that the problem of school district reorganization has been complicated by rural migration and increasing urbanization. In reviewing U.S. Bureau of the Census statistics he found that seven out of ten Americans live in metropolitan areas--central cities of 50,000 or more together with their contiguous suburban areas. Since 1950, metropolitan areas have accounted for nearly 85 percent of the nation's total population growth while population on the farms has decreased from 23 million in 1950 to about 12 million in 1965. He maintains that the massive population shifts along with school district reorganization has resulted in an increasing concentration of the total public school enrollment in fewer and fewer local school districts.

Hamilton and Rowe,[20] after an extensive review of the literature, indicate that greater academic achievement is more likely to take place in the larger and/or reorganized schools. They suggest that many administrators and teachers, as represented by national, state, and local associations; and laymen, as represented by national and state school board associations, support the general principle of reorganization with a belief that it will yield greater educational opportunities for all youth. The support of these groups, coupled with what they feel is remarkable consistency with which the differences in test results favor consolidated schools, strengthens the cause of reorganization.

A recent compilation of research by Stephens and Speis[21] further supports this viewpoint and contends that larger schools are rated more favorably than smaller ones when comparisons are made relating to pupil achievement, educational costs, breadth of educational program, extra-curricular activities, professional staff qualifications, special services, and school plant.

Purdy[22] reports a speech made by Francis E. Griffin to the American Association of School Administrators in 1968 where he emphatically stated that school district reorganization really makes a difference. Griffin cited the following benefits from district reorganization in the state of New York:

1. It has helped eliminate the obsolete by hastening the elimination of expendable features of yesterday's educational organization such as the one-teacher school.

2. It has permitted the replacement of obsolete and unsafe school buildings by those meeting present-day standards.

3. It has eliminated duplication and has permitted a new breadth and depth in critical high school areas of instruction.

4. It has permitted the introduction of sound business and administrative practice.

5. It has equalized the educational and financial burden.

6. It has brought to play human resources not available under an antiquated system.

7. It has brought new dimensions to lay control and has permitted the development of true leadership on the part of boards of education and advisory groups.

8. It has made possible an immediate gain to the individual pupil.

    -a greatly expanded definition of individual need.

    -a concern for the opportunities for all children, whether it be for the physically handicapped, the slow learner, or the honors pupil.

    -a paying of attention to pupil interests, whether they are toward the performing arts, technology, a service vocation, or admission to college.

In 1962 the American Association of School Administrators [23] published a report that the school district reorganization process shows clearly the trend toward the development of larger school administrative units in terms of both geographic area and population. Many districts which were reorganized in the past are now being involved in further reorganization. There is also a distinct tendency toward the involvement of cities and suburban areas in reorganization. Also, the process by which school districts combine into new districts is no longer a rural phenomenon as in many places city school systems are joining with areas outside of municipal boundaries. Still another important aspect of school district reorganization is the intermediate unit, so-called because it functions between the basic school districts and the state department of education. The need for more of this kind of structure may arise because a majority of school districts are not large enough to afford many of the educational services needed and reorganization at the local level only cannot produce an organizational framework within which all operational functions can best be performed.

Many state commissions or special study groups and professional organizations have cited reasons for reorganization and also provided criteria or guidelines for goals to be achieved by such an action. Ralph Purdy, Director of the Great Plains School District Organization Project, gives 15 relevant factors which contribute to the process of reorganization.[24] The Citizens Research Council of Michigan[25] found the following criteria for the size of a school district:

1. A district should be large enough to offer a comprehensive program.
2. A district should be large enough to permit the realization of economics of scale and optimum efficiency.
3. District boundaries should be so drawn as to minimize disparities in taxable property evaluation per pupil.
4. A district should be large enough to attract and hold qualified teachers.

The State Legislative Research Council of South Dakota[26] developed guidelines for school districts, but one of the most comprehensive listings for reorganization was presented by the Missouri School District Reorganization Commission. [27] They stated that the major purpose of school district reorganization is to establish the framework which will provide a quality education program, and, as far as possible, an equal opportunity for every child in the state to receive an education geared to his ability, interests, and need.

# LEGISLATIVE STRATEGIES

Since most research studies and the opinions of professional groups, state commissions, and educational authorities all seem to agree on the necessity for reorganization, the methods to accomplish such reorganization need to be examined. Inasmuch as the state has the responsibility for the organization of the educational effort, the methods of reorganization available are dependent upon state legislation. Constructive legislation has been a key factor in securing sound and adequate school administrative units.

## CLASSIFICATION OF LEGISLATION

Redistricting legislation may take three forms: permissive, mandatory, or semipermissive. Arthur L. Summers[28] in his study of effective legislation for school district reorganization defined these three types:

1. Permissive legislation provides the procedure for merging districts by leaving all of the initiative to be taken and completed by the voters at the local level.
2. Mandatory legislation establishes a statewide pattern of school districts by legislative decree without referring the action to the voters for approval.
3. Semipermissive legislation is mandatory in part by requiring that essential preliminary steps be taken in planning and presenting a proposed pattern of reorganized districts to the voters but actually leaves final approval or rejection of a proposed reorganization to a vote of the people in the area affected.

### Permissive

Permissive legislation generally does not require any approval from a county or state level. Such legislation is often entirely voluntary and at the discretion of the local school districts. Usually no overall planning for an adequate district is required. Initial procedures usually begin at the local level by action on the part of local school boards or by petitions signed by a specified number or percent of the electors in the local area. The process is usually completed by a final approval or rejection by the voters. Summers[29] reports that with this type of legislation the following difficulties seem to exist:

1. Usually there is no overall planning for adequate redistricting.
2. Voluntary merging of districts may result in disregarding the right of all children to reside in good school districts. The wealthy districts merge, leaving the less wealthy to operate schools.
3. Permissive legislation that has been developed by any of the states for merging districts completely disregards any statewide planning for a pattern of adequate school districts.

4. Experience shows that the consolidation of large numbers of school districts by permissive legislation is a slow and long drawn-out process and satisfactory results have not been achieved.

Mandatory

The Commission on School District Reorganization[30] reports that mandatory legislation is usually a quick procedure for achieving reorganization. It saves time effort and money. Districts can begin to function immediately. The commission points out the claim by some people that mandatory reorganization of school districts is not democratic because people do not have an opportunity to vote directly on reorganization plans. On the other hand, they report that others maintain that reorganization by direct legislative action is entirely in accord with well-established principles of democratic government. The people have elected members of the state legislatures, and the operation of free public schools is the function of the state; therefore, the state legislature is in a strategic position to organize and reorganize school districts. Such a procedure represents the people of a state acting through the legislative assembly they have choosen.

Summers[31] defined two types of mandatory legislation and listed common features of each.

1. Common Features of District Mandatory Legislation.
    a. Dates by which new districts were to be established.
    b. The establishment of new districts to conform to the county as a county unit or modified county unit.
    c. The election or appointment of school board members for new districts.
    d. The assumption of assets and liabilities including bonded indebtedness of the former districts.
    e. Laws for transportation were revised to apply to new districts.
    f. State aid laws were revised to assist new districts, and in some to provide incentives for developing and operating schools.

2. Common Features of Indirect Mandatory Legislation.
    a. The creation of a state agency usually separate from the state educational agency but with some cooperative liaison with the state educational agency.
    b. Authorization of the state agency to adopt standards and promulgate rules for the reorganization process.
    c. Directions to the county agencies to study school districts, hold hearings and submit proposed districts to the state agencies for approval.
    d. Authorization of the state agency to withhold state funds if and until the county agency complies with directions in submitting proposals to conform to approved standards.
    e. The exact procedure for ordering the new districts established and the effective date new districts were to begin operation.

### Semipermissive

Semipermissive legislation for school district reorganization is a type of legislation that contains some mandatory features and some permissive features for the adoption of school districts. Summers[32] presents these three major provisions for semipermissive legislation:

1. Provisions for establishing at the state level a state agency or place with an existing state educational agency, such as a state board of education or state department of education, responsibility for assisting, counseling, reviewing, and approving or disapproving reorganization plans prepared by county agencies at a county level.

2. Provisions for creating at the county level a county agency, usually a county board of education, and authorizing it with certain mandatory powers and duties to prepare and present district reorganization plans, hold hearings, and call elections for the approval of plans by the voters.

3. Provisions permitting the voters within the affected areas to ratify or reject the proposed plan of district reorganization.

The Commission on School District Reorganization[33] has taken the position that legislation which delegates authority to a state agency and county agency to establish reorganized districts and that requires these agencies to act in good faith is generally considered to be the most desirable. Cooperation between state and county agencies over a period of time give opportunity for taking into account many factors at the local level that are important in forming good community school districts which cannot possibly be given full consideration in a given legislative act. The Commission feels that ideally legislation should have enough permissiveness in it to give full consideration to the unique factors at the local level and enough requirements to insure that necessary steps toward reorganization are taken in good faith. When there have been enough requirements in the laws to get careful and considerate action under way and to sustain it, these laws have worked and good local school districts have often been formed. When the legislation is tipped too heavily on the permissive side, nothing has been done and the principle of local control is seriously weakened.

## FINANCIAL INCENTIVES FOR REORGANIZATION

Besides actual legislation directing or allowing reorganization, the state legislature may apply the age-old carrot-and-stick method to prod for school district reorganization. Two groups have encouraged this kind of action, The National Committee for the Support of the Public Schools[34] and the Citizens Research Council of Michigan[35], as well, of course, as many others.

The Commission on School District Reorganization[36] reports that aspects of school finance most intimately affecting school district reorganization include state funds for the support of general operation, funds earmarked for special purposes or activities, grants for capital outlay and debt service, funds for the payment of tuition, and aid in pupil transportation.

The funds for general purpose are of two kinds, flat grant and equalization. Special purpose funds may be apportioned as flat grants or equalizing grants. Aids for capital outlay, transportation, and tuition may be on the basis of flat grant or equalization. For the most part, the Commission reports, equalization grants have usually more to do with reorganization than do flat grants. Such is the case unless the flat grants are large enough to pay all, or substantially all, the cost of the specified educational program.

The importance of equalization grants is echoed by Chisholm and Cushman.[37]

> Thus the first requirement for stimulating school district reorganization through school finance is an adequate level of equalization support with full correction for sparsity of population. The equalization program should contain adequate allowances for transportation and capital outlays so that pupils can be transported and rehoused without an unreasonable local tax burden for these services. Since territory most in need of reorganization frequently tends to have wide variations in taxpaying ability, . . . attaining a reasonable local tax rate is impossible unless this prerequisite is met.

[38] Burke, in his text on school finance supports the same type of reasoning:

> The first requisite for stimulating structural reorganization is an adequate level of equalization support with full correction for sparsity of population. The equalization program should contain adequate allowances for transportation and capital outlays so that pupils can be transported and rehoused without an unreasonable tax burden for these. Because territory most in need of reorganization tends to have less taxpaying ability than urban centers, attaining a reasonable local tax rate in impossible unless the prerequisite is met. The experience of New York and Washington demonstrates this. When the foundation program becomes inadequate due to a higher price level, reorganization slumps.

Johns and Morphet[39] indicate that if district reorganization is to be encouraged rather than handicapped by financial provisions, the following considerations seem essential:

1. The cost of the foundation program should be determined on an adequate and realistic basis and the local effort should be equitable and reasonable.

2. Provision should be made in the foundation program for including all reasonable and defensible costs of the educational program, including capital outlay, so that local tax effort does not have to be increased beyond the uniform minimum requirement when districts are reorganized. If the people in any area choose to maintain an inadequate district, they should be expected to make a higher levy to meet the extra cost of maintaining such a district.

Besides an adequate level of equalization support, there are other financial "carrots" for reorganization. Reed[40] investigated various aspects of school finance programs which seemed to have an impact on reorganization. His study dealt with six components of school finance: general aid, equalization aid, capital outlay costs, payment for pupil transportation, payment of tuition for non-resident pupils, and the distribution of the assets and liabilities of former districts. Six states in which there were statewide programs at various stages of development served as the basis for the study (Illinois, Iowa, Kansas, Minnesota, Missouri, and Washington). The following summarizes various financial provisions in the six states.

> 1. As the inability of local districts to raise sufficient funds for public education became increasingly apparent, state support gradually evolved; the development of these programs shows the influence of three different theories of distribution--general aid, payment for effort, and equalization aid.
>
> 2. Programs of state support were found to either retard or encourage the school district reorganization movement considerably. The effect of a state support program seems to depend more on the methods for distributing the funds than on the total amount of revenue derived from state sources.
>
> 3. The number of financial factors that encourage or retard reorganization appears to be just as important in determining the progress of a reorganization program as the extent to which the program of state support encourages or retards the movement. It would seem that a minimum of four financial factors must encourage reorganization if the comprehensive reorganization program is to be successful.
>
> 4. The developmental patterns of school finance programs showed that a number of the enacted statutes gave small districts an economic advantage over larger districts; however, there was a noticeable trend to enact statutes designed to encourage reorganization as the amount of state support was increased.
>
> 5. It is significant to note that the states made important changes in their school finance programs simultaneously or immediately following the passage of their comprehensive reorganization laws. Many of these changes tended to give a greater degree of encouragement to the reorganization movement.
>
> 6. Distribution of state funds to all districts on a common basis, such as average daily attendance of weighted pupil, without enforcement of attendance standards seems to give only a slight encouragement to reorganization, although the degree of encouragement increases with the amount of the distribution. The degree of encouragement is considerably greater, however, when minimum attendance standards are used in determining eligibility for state funds.

> 7. The distribution of state funds as equalization aid theoretically appears to encourage reorganization by reducing the inequality of burden among the districts; in practice, however, due to the low level of equalization and the methods for distributing the funds, this state support tends to retard reorganization when it is made available only to the small weak districts. Some encouragement to reorganization results from a small amount of equalization aid if the distribution is contingent upon minimum attendance standards and if lower qualifying tax rates are required in the districts with approved organizations.
>
> 8. State support for approved transportation is an important factor in encouraging reorganization. The degree of encouragement seems to depend upon the level of reimbursement and the methods used for the computation of transportation costs.
>
> 9. When the payment of non-resident tuition, computed on the full per capita cost, is the responsibility of each non-high school district, reorganization apparently is retarded to a lesser extent. Payment for part or all of the costs of tuition by the state or payment of a fixed amount by the non-high school district generally gives the non-high school territory an incentive to remain outside a district which maintains twelve grades.
>
> 10. State support for capital outlay appears to be one of the most potential factors in encouraging reorganization, whereas lack of state support for capital outlay is one of the chief retarding influences. For maximum encouragement the payment of capital outlay probably should be limited to approved districts and should be distributed on the basis of need.
>
> 11. A plan for the disposition of the assets and liabilities of all districts by the committee or group which proposes the new district tends to encourage reorganization to a greater extent than do other plans under which a standard formula is applied to all reorganized districts. A plan for the disposition that is flexible enough to meet the unique problems of the districts involved in a reorganization seems to have some merit.

Other studies pinpoint incentives that have facilitated reorganization. King[41] in his Kansas study reported an interesting phenomenon. Five of the 15 factors rated by superintendents and committeemen in Kansas counties as most extensive in facilitating influence were financial factors. Also, Jarvis, Gentry, and Stephens[42] report three particular types of financial incentives offered by states which have been found to be effective:

> The first consists of increased allocation of state funds for school transportation, which helps to remove a major obstacle to reorganization. The second is that of permitting reorganized districts to levy a tax rate that is lower than normally required for obtaining equalization grants. This incentive offers particular encouragement to those districts which would otherwise

look unfavorably upon a merger with poorer districts. Finally, there is the incentive of providing funds for capital outlay and/or debt service. Again, this especially encourages wealthier school districts, since they will not be saddled with an increase in bonded indebtedness by having to finance construction of new buildings immediately upon merger with financially inadequate districts.

A study of the 48 state school systems by Chase and Morphet[43] disclosed a number of financial factors which have had a bearing on school district reorganization. The financial provisions listed most frequently as facilitating reorganization were:

1. State aid for transportation assists districts sufficiently to encourage reorganization--19 states.
2. State laws guarantee sufficient funds to enable the reorganized district to maintain at least an established minimum school program--13 states.
3. Reorganized districts receive more favorable treatment in distribution of state funds than those that do not reorganize--9 states.
4. Small schools or small districts are penalized financially if they continue to operate--9 states.
5. State aid for new school buildings encourages reorganization--9 states.

Chisholm[44] in a report in 1961 to the Fourth National School Finance Conference recommended ways in which the finance program of a state could encourage proper reorganization of school districts.

> Distribute state funds to local school districts in such a way as to equalize the burden of school support throughout the state, facilitate desirable school building construction, keep the cost of essential pupil transportation from being a noticeable burden to properly organized districts, avoid payment of state funds for nonresident pupils, avoid all flat grants to school districts or arrange such grants so that they neither encourage poorly organized districts nor penalize properly organized districts, eliminate any artificial cutting on local tax raising power, and void the classification of districts for the purpose of state support except as it encourages desirable redistricting.

A New Jersey committee[45] suggested other specific measures that could be incorporated into finance programs designed to encourage school district reorganization:

1. The current expense aid program could include a state guaranteed financial base related to the educational criteria to support a quality level educational program.

2. A reorganized district should qualify for placement at the highest guaranteed financial base for a period of three years and then be evaluated for placement at the appropriate level for state aid for current expense.

3. A special fund should be available to fully finance innovative and promising programs in urban-suburban cooperation.

New York State Educational Conference Board[46] studying public school finance problems, concluded that certain policies and provisions in the state have hindered proper reorganization. They presented a "Seven-Point" program for legislative consideration that has implications and applications for any state desiring to encourage better school district organization through their finance program.

1. The state should institute and report from time to time studies or returns for money spent on the public school system.

2. State plans for eliminating or strengthening inefficient operating units and attaining satisfactory local taxing units for schools should be updated.

3. Existing machinery or procedures for district reorganization should be revised upon the basis of careful studies of past experience and progress.

4. All state school finance laws should be integrated with plans and procedures for district reorganization; and laws which discourage essential reorganization should be repealed.

5. The state should define by law the size at which a district is large enough for decentralization and outline the procedure for orderly decentralization.

6. Existing machinery and procedures for cooperation among operating units and for performance of functions which individual school districts do not choose to or cannot perform should be improved.

7. The state should reassess the relationships of local school government to other local governments with the objective of increasing coordination and cooperation.

## DETERRENTS TO SCHOOL DISTRICT REORGANIZATION

The research studies and the authoritative opinions so far examined have centered on the positive aspects of school district reorganization--the assumption that it is wanted, as well as needed, and the "carrots" dangled to move local districts to change and put it into effect. However, there are a number of deterrents to such change. King[47] sought both to identify factors which had affected reorganization progress and to determine the relative influence of each factor. His results suggest that reorganization of school districts is an obstinate problem even under the most favorable conditions.

School district reorganization is a highly complex process, the operation of which may be quite unpredictable which makes classification of factors influencing the reorganization process almost impossible. King said:

> Whether factors are impeding or facilitating in the reorganization process may be dependent upon the setting and the people involved. Factors which exerted both extensive and intensive influence in some Kansas counties were of only minor influence in other counties. Many instances were discovered where the same factors impeded in some counties or communities and facilitated in others.

In a study sponsored by the National Education Association, Dawson and Reeves[48] gave the following eight reasons for resistance to school district reorganization:

> 1. Grants of state aid to nonisolated one-teacher schools on a school unit basis rather than on the basis of average daily attendance have encouraged the continued operation of very small, inefficient schools and school districts.
>
> 2. Levies for high school tuition purposes in districts not supporting high schools have removed one of the basic needs for reorganization. Frequently tuition charges have not taken into consideration the initial costs of new buildings, and people from the tuition districts have enjoyed an economic advantage in not consolidating with units supporting high schools.
>
> 3. Superimposing high school districts upon a number of smaller elementary districts has retarded the development of units of administration which support well integrated 12-grade educational programs. Such high school districts develop vested interests through special privileges and a sense of prestige on the part of school board members and high school principals, teachers, and superintendents which lead them to oppose a reorganization program which combines elementary and secondary schools in a single unit.
>
> 4. Reliance on the property tax as the chief source of financial support for schools has discouraged the reorganization of school districts in localities where there is a considerable difference between the assessed valuation of taxable property behind each child of school age in different parts of the area to be reorganized. This has been a particularly serious obstacle in the midwest where wealth in village centers has been much less than in the surrounding farm areas.
>
> 5. Reorganization programs have been greatly retarded by general prevalence of the idea that the boundaries of attendance areas and administrative units must be coterminous.
>
> 6. Failure to establish definite time limits within which action must be taken by responsible officials in regard to initiating

> programs of reorganization or bringing proposals for the establishment of new school districts before the public for proper consideration has had a delaying effect.
>
> 7. Provisions for counting the votes on approval or rejection of proposals for new districts by individual districts rather than for the area at large have frequently operated to prevent reorganization.
>
> 8. Requirements that proposals for reorganization be brought before the public for general consideration only by petition of the majority of the voters have often been an insuperable obstacle.

Leaders in the field of public school administration seemed to share many of the previous findings. Grieder, Pierce, and Rosenstengel presented their views by stating that local interest seemed to savor of the emotional more than of the rational. These authors condensed their ideas on reasons for resistance to reorganization in seven items as follows:[49]

> 1. The grip of tradition respecting local districts is exceedingly strong. The attitude that "what was good enough for my father is good enough for me" persists in many persons. This is particularly strong in the one-room and village schools.
>
> 2. In many small districts, school board members seem to be unwilling to surrender the only public office to which they have ever been or ever hope to be elected. Some superintendents of schools, it is sad to say, feel the same way about their position, not appreciating that large-scale reorganization creates more and better administrative positions as areas lacking competent administrative and supervisory leadership are brought together in larger units.
>
> 3. Much misunderstanding exists about the distinction between administrative districts and attendance centers. The old term "consolidation," seldom used now except in the newspapers, is often confused with district reorganization--this point is the source of more misunderstanding and objection than any other single topic. Much of this comes from the sad experience during the '20s. Less was known then about the formation of sound districts, and the term "consolidation" was interpreted as meaning that all pupils had to be brought to one central schoolhouse. Parents fear that hardship will be worked on their children because of long bus routes, and there is some justification for this fear where poor standards have been adopted.

4. A very important cause of resistance in rural areas is the prospect of higher tax rates in small, low-tax, usually substandard districts which are to be incorporated into reorganized districts. The protection of the pocketbook, not the small schools or districts, is at the bottom of this kind of opposition. School systems offering high school bargain rates have not helped. The equitable assessment of farm and urban or town property is of crucial importance in reorganizing territory which involves both.

5. Lacking experience with really good schools, many persons do not appreciate the educational advantages which larger districts are able to furnish.

6. There is a mistaken idea that the rural or small village school is "the last bulwark of democracy" and that to preserve it each school must be in the charge of a board of education. The operation of many small-district boards is anything but democratic, as board members will themselves admit if interrogated. They seldom meet because there is no business to transact; they cannot provide educational opportunities on a par with well set-up districts and hence deny many youngsters the chance they should have; they lack competent professional leadership and administrative service.

7. Other reasons which seem to account for resistance to reorganization are refusal to face facts, sheer inertia, and an unwillingness to surrender one iota of local jurisdiction. When it comes to school district changes, even neighbors distrust each other. School patrons often demand that every detail of the operation of a proposed reorganization be set down in writing.

The Executive-secretary of the Indiana Reorganization Commission, Arthur Campbell[50], was quoted by the Indianapolis Star as saying that two factors that had caused a lot of resistance to reorganization in that state were communities did not want to lose their high school basketball teams by being merged with other school corporations and township trustees did not want to lose their power as the result of reorganization.

Domian[51] in his statewide study of elementary, secondary, and vocational-technical education in Minnesota presented a comprehensive discussion of deterrents to the reorganization process. He pointed out such things as village rivalries, community pride, the fear of business losses, vested interests, unequal taxes and tax basis among districts, lack of leadership, and the emotional commitment to tradition can combine in various ways so as to preclude local acceptance of even the soundest reorganization plan. Domian said:

> The financial conditions of local school districts can operate as a deterrent to the establishment of sound district organization. Unequal financial ability often is a hindrance to reorganization. Districts with considerable wealth may oppose mergers

> with poorer districts for fear of having to assume a larger share of the educational costs by the poorer district. Poor districts may oppose mergers with wealthier districts because of the possibility of tax increases resulting from meeting higher educational standards of the wealthier district. The bonded indebtedness status of districts is also a deterring factor to reorganization. Districts with heavy indebtedness oftentimes reduce the possibilities for reorganization in an area.

State fiscal policies have indeed, served to deter reorganization activity in some states. Wetmore, in a study of school district reorganization in Michigan in 1959,found that 19 out of 20 schools he studied would have lost state aid monies if they had been reorganized under the existing laws. In addition, he found that following consolidation the former sending districts made a greater financial effort than the former receiving districts to make up the loss of state aid due to reorganization.[52]

Blikre[53] found in his study that fears--"fear of local community deterioration, fear of closing the local school, fear of loss of local control and fear of central control are factors that must be reckoned with and solved properly before a school district reorganization will be fully successful."

Zimmer and Hawley[54] in an analysis of metropolitan area schools and resistance to reorganization pointed out that central city residents are much more likely than those in the suburbs to favor the reorganization of school districts on an area wide basis. When residents were offered, as part of the proposal for reorganization, a single district with lower taxes, the amount of support for change increased substantially in all areas. Most resistance to change was found in the higher income groups, those with children in the public schools, and in the large area suburbs. Consistently, suburban residents, more frequently than those in the city, stated a preference for the present district, even with higher taxes, rather than to join a single district with lower taxes. In cities, most support for change came from the high income group, whereas in the suburbs this is the group that expresses the most opposition. Rather consistently, most opposition to change was reported by the suburban residents who felt that the ordinary citizen can do quite a bit about how school funds are spent. In the suburbs, where control by the ordinary citizen appears to be particularly important, at least traditionally, residents resist change because they feel that under the present system the citizens have that control, and they do not want to risk losing it.

In a study of factors hindering school district reorganization in Wyoming, Thibeault[55], concluded that the county superintendents of schools were very effective in preventing or discouraging reorganization of school districts in their counties and that the main concern of these people had been to perpetuate themselves in their jobs. He also found that in many small communities where the school house was the center of all social activities the people involved are fearful of losing their meeting place. Weather and distances were important aspects of rural peoples' resistance to reorganization. He felt that in Wyoming much of the resistance to reorganization has been psychological in nature and stems from a lack of adequate information.

To counteract these deterrents to school district reorganization besides all the incentives already cited, there are some possible "sticks" the state legislatures can apply. Some of these negative devices are low-level equalization programs, denial of sparsity correction, a higher local rate contribution for equalization purposes, budgetary review, and other penalties. Such a negative approach assumes that failure to reorganize has been a local perversity and that denial of educational opportunities will force the taxpayers and/or parents to do something about district reorganization.

Burke[56] discussed these principles that have emerged from past experience with penalties:

> Three principles emerge from past experience with penalties. First, the penalty should be placed upon the local tax rate. This puts the pressure on the parents and the taxpayers and not on the children. Second, the full state foundation program should be made available to all children. Very frequently the local unit is not capable of providing this, but every local unit should be given the maximum support it is capable of handling. Where this involves a certain degree of uneconomical expenditure because of the inefficient size of the operating unit, the local rate of taxation for support of the program should be increased. The state is obligated to provide for sparsity, but not for higher costs than are avoidable. Local taxpayers should be required to pay for the privilege of maintaining a small operating unit. Third, every state should create a commission to make a master plan of school district organization. Each of these districts should be created at once to provide that part of the foundation program which cannot be provided economically by the existing small units within its boundaries. The state funds denied the smaller units should be allocated at once to the new unit for administration. Reorganization aid of the kind described above should be provided to facilitate the absorption of the smaller units into the larger. Gradually additional functions should be transferred to the larger unit and eventually all state funds should be apportioned to the larger unit. Only in this way can penalties be administered so as not to penalize the children.

These strategies, then, for legislative action are many and varied. Morphet,[57] suggesting ways state laws can aid district reorganization presented these guidelines:

1. Legislation should be kept as simple as possible and should make it easy for districts to effect desirable reorganization.

2. All state laws should be reviewed to determine their effect on district reorganization. Those which encourage the continuation of inadequate districts or which retard reorganization should be revised.

3. All reorganization proposals should be based on careful studies and planning before being voted upon.
4. The regulations of the state board of education should define basic criteria or minimum standards to be used for guidance in planning reorganization of districts.
5. The laws should specifically define the responsibility of the state and local reorganization commissions and of all groups and persons officially involved in the reorganization program.
6. In all states with a large number of small districts the law should provide for a state reorganization commission.
7. In states with numerous districts, the law should also provide for local commissions on reorganization.
8. The organization law and procedures should provide for the participation of a maximum number of people working cooperatively for effective district reorganization.
9. The law should provide that if some inadequate districts choose to continue as separate districts beyond a designated date, the local taxpayers in those districts would bear the extra expense involved in providing adequate school services and facilities for the children of the district.

The problem of school district reorganization and the question of how best to provide equal educational opportunity for all children has also been of concern to the Advisory Commission on Intergovernmental Relations.[58] Among a number of proposals made by the Commission in 1969 suggesting ways to improve intergovernmental relations on a local, state, and national level through legislation, the number one recommendation was for the state to assume substantially all responsibility for financing education. The Commission felt that operating efficiency stands out as the major argument for continued state effects on school district reorganization. Because of practical political limitations on the power of state legislators to transfer funds, only two ways remain for states to come to grips with local educational fiscal disparities. They can either create, via consolidation, ever larger local districts or attempt to neutralize local fiscal variations by progressively increasing state aid to all local districts in the state.

The Commission stated that:

> In order to create a financial environment more conducive to attainment of equality of educational opportunity and to remove the massive and growing pressure of the school tax on owners of local property, the Commission recommends that each state adopt as a basic objective of its long-range state-local fiscal policy the assumption by the state of substantially all fiscal responsibility for financing local schools with opportunity for financial enrichment at the local level and assurance of retention of appropriate local policy-making authority.

## REGIONAL TAXES AND SCHOOL DISTRICT REORGANIZATION

The organizational structure for the support of schools commonly includes the federal and state governments and the local school districts. However, the support for education has originated, as well, from a unit or level of government larger than the local school unit but smaller than the state. The tax use of regional or intermediate units has had a short history.

### EXAMPLES OF EXISTING REGIONAL APPROACHES

One of the first examples of this regional approach was in the use of county property tax for the support of local school districts. This is not to be confused with county school units that operate as the local unit of school administration. Arvid Burke[59], gives a concise history of this county support:

> In states where the school district, town, or municipality is the basic unit for school government, county taxes are levied to supplement local property taxes or to equalize provisions and tax burdens within counties. This policy was not followed in New England or the eastern states, with the exception of New Jersey, where an optional county property school tax was adopted in 1821. In the western states, county taxes of this kind date back to at least 1825 when Ohio adopted one. Among the western states that have at one time derived a substantial part of school revenues (sometimes over 50 percent) from county property taxes are Arizona, California, Colorado, Idaho, Montana, Nevada, Ohio, Oregon, Washington, and Wyoming. They also have been used on Arkansas, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Oklahoma, South Dakota, Texas, and Wisconsin. Over half the states have had county property taxes as well as local property taxes for schools.
>
> From 1925 until about 1950 the percentage of public school revenues obtained from county property taxes continued to decline. During this period it dropped from over 10 percent to less than 5 percent.
>
> By 1954, the downward trend in the importance of the county as a source of public school revenues had been arrested. The percentage from county sources rose somewhat between 1948 and 1954.

In the 19th century New Orleans, Boston, Philadelphia and New York cities consolidated with their surrounding counties. In 1949 Baton Rouge also effected consolidation. In 1962, Nashville and Davidson County received favorable votes on a merger. The ACIR[60] describes that merger as follows:

> Then in 1962, a revised charter creating "The Metropolitan Government of Nashville and Davidson County" was approved by the voters, receiving the required separate majorities both in Nashville and in the remainder of the county. The charter set up an urban services district of about 75 square miles surrounding Nashville, with

> provisions for expansion. Certain functions are performed and financed only within the urban services district, including sewage and refuse disposal, street lighting, and a higher level of police protection than that prevailing outside. There are two levels of taxation--one for all residents of the county, the other only for those who receive urban services. Countywide services include several that were previously limited to Nashville, such as parks and recreation, libraries, and public housing. There is an elected metropolitan county mayor and a council of 41 members of whom 35 are elected from single member districts and 6 at large.

After that merger had been in operation for five years, Florence Lewis[61] reported on the first five-year period and what result she felt it had for education. She described the merger as "the marked beginning of a community renaissance in education, including greater financial support."

The intermediate unit of school administration has been used also as the vehicle to provide specialized educational services. This in effect broadens the base of support for these programs, many of which are relatively expensive. Examples of this approach are the special education classes on a county level in Michigan, vocational schools in three counties surrounding the Twin Cities in Minnesota, and the specialized high schools in the New England states.

The regional approach for tapping the property tax base is used in some way in half of the states. The following tabulation compiled from a U.S.O.E. publication shows the variety of ways in which this regional approach is implemented.

Current Utilization of a Regional Property Tax
for the Support of Local School District Expenditures

(Reported by USOE, "Public School Finance Programs, 1968-69,"
Washington, D.C., 1969)

| State | Type of Utilization |
|---|---|
| 1. Alabama | Through the foundation program both the county and independent city school systems share in the county-wide property tax which is generally limited to 4 mills. |
| 2. Arizona | Each county is required to levy a property tax on a countywide basis sufficient to raise an amount which, when added to the $170 per pupil appropriated by the legislature through the state school fund shall equal $180 per public school child in grades 1-12. |
| 3. California | Sufficient revenue must be raised at county levels to supplement basic aid provided by the state to pay the tuition and transportation costs of pupils residing in the county but attending school elsewhere. |

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| | When unification elections fail, the single-level districts are subject to area-wide taxation by the county, with a levy of 10 mills for elementary districts, with the proceeds distributed to the districts concerned according to the foundation programs computed by the state. |
| 4. Colorado | To participate in the State Public School Fund--Minimum Equalization Program portion, each county must raise a required amount of dollars from a tax levy for the county public school fund. The tax rate varies for each county because the required support is based on a measure of ability which includes the amount of personal income as well as the valuation of assessment of taxable property. |
| 5. Idaho | A county levy of 8 mills is authorized for general school purposes in each county. This tax is levied by the county board of commissioners without electoral approval and is required for all counties. |
| 6. Indiana | Special laws applicable only in Lake and Dearborn Counties provide for uniform tax levies on a county-wide basis. The yield of said levies are collected by civil counties and redistributed to school districts within the counties. Details of the distribution plan for Dearborn County are set out in Chapter 190, of the Acts of 1967. The Lake County plan is found in Chapter 278, of the 1965 Acts, Burns reference is 28-1133. |
| 7. Iowa | Property taxes paid in individual school districts are composed of a uniform property tax spread on the property of a Basic School Tax Unit (County school system) and an additional property tax of varying amounts spread upon the property of individual school districts. |
| 8. Kansas | Each county levies an amount equivalent to 10 mills on its adjusted valuation. The proceeds of this tax are distributed to the districts either in a per resident pupil share and a per certificated employee basis or on a per certificated employee basis for districts located entirely in one county. |
| 9. Michigan | To support programs for the mentally and physically handicapped, taxes may be raised by special county-wide election above the 15 mill local limit. Funds are collected and expended by the county school district for this purpose. |
| 10. Minnesota | The newly created vocational school districts in the Metropolitan counties may levy up to four mills for vocational programs. There is a mandatory county tuition and transportation tax for the payment of tuition and transportation expense of nonresident |

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|---|---|
| | high school students. The tax for tuition and transportation is levied against all property that is not included in a district which supports a high school. |
| 11. Mississippi | Under the new school laws each county, exclusive of the separate districts in the county, is required to make a local ad valorem contribution in an amount determined by an index of financial ability. Regardless of how a county is organized, the local ad valorem contribution for the minimum foundation program is obtained from a county-wide levy. |
| 12. Montana | An estimated 96 percent of the local district and county revenue for public school support is derived from property taxes. Of this amount 61 percent is from local district taxes and 39 percent is from taxes levied by the county. A county tax effort of 24 mills for elementary schools and 14 mills for high schools is required to qualify for state equalization payment under the State Foundation Program. Counties must also levy taxes for high school transportation and retirement purposes. |
| 13. Nebraska | All property which is not in a district offering a high school program is subject to a high school tuition levy. Taxes on such property are levied, as required, without limit or electoral approval. With this exception, a county is not a taxation unit for school support. |
| 14. New Mexico | By statute, county commissioners may levy a general county school tax of up to 10 mills and a special district tax for schools not in excess of 5 mills, exclusive of principal and interest requirements. Proceeds from the general county school tax are distributed among the school districts in the county according to the proportion the weighted membership of each district bears to the weighted membership of the entire county. Each county also levies and collects a ½-mill property tax which is transmitted to the State Treasurer (Current School Fund). |
| 15. North Dakota | Local school districts provide approximately 65 percent of the county and local district school revenue; counties provide 35 percent. Each county is required to establish a county equalization fund and levy a 21 mill tax in order to participate in the apportionment of the State Foundation Program Fund. No vote is required for the legislature authorized county tax levies for schools. |

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| 16. Oklahoma | As amended in 1955, the Oklahoma Constitution provides a tax of 4 mills on the assessed valuation of all taxable property in the county. Proceeds are apportioned to the school districts of the county on the basis of the average daily attendance (ADA) for the preceding school year. |
| 17. Oregon | Taxes levied by intermediate districts are determined under one of two district statutory procedures. Under the first, the intermediate district is authorized to levy, subject to the 6 percent constitutional limitation, a tax sufficient to pay its own operating expenses, an amount which it may set aside for distressed districts and 50 percent of operating expenditures of all component school districts, as estimated by formula. Twenty-five of the intermediate districts determine their levies in this manner. Under the second procedure, the authorized levy, subject to the 6 percent limitation, is determined by the amount required for the operating expenses of the education district plus the levies,as approved by the intermediate district board, of all component school districts. After setting aside the appropriation for board and staff expenses, the revenue is distributed among the school districts in the proportion that each approved district levy is to the total of all such levies. There are four such intermediate school districts. |
| 18. South Carolina | There are constitutional or statutory provisions for county taxes but most of the counties have local legislation for county school taxes. Debt service levies are made in only a few counties. There are no specified limitations on the county tax levy either with or without vote of the people. |
| 19. South Dakota | Approximately 96 percent of the public school revenues derived from county and local district sources is obtained from property taxes. Three-fourths is from local district taxes and one-fourth from county property taxes. Counties are required to levy taxes for a county elementary equalization fund and for high school tuition costs. County officials may levy a property tax of up to 20 mills for the general fund and the county elementary equalization fund without electoral approval. |
| 20. Tennessee | Counties which participate in the State Annual School Program Fund as equalizing counties must have one school tax for current expense purposes including pupil transportation for grades 1-12. Other counties may have a separate tax for pupil transportation in addition to a levy for current expense purposes. Levies for debt service for county school purposes are in addition to the current expense levies in both equalizing and nonequalizing counties. County revenue accounts for about 85 percent of the total revenue from county and local district sources. |

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| 21. Texas | Under certain conditions, a county-wide property tax of up to 2.5 mills may be levied for equalization purposes. |
| 22. Utah | Under the provisions of the state foundation program, all school districts are required to levy a property tax of 16 mills on the state-equalized fair value of the taxable property of the district. This levy is mandatory on all districts and requires no electoral or board approval in the separate districts. Local district receipts produced by this 16 mill levy, which are in excess of $7,700 plus the amount allowed for pupil transportation expenses, are not retained in the district as local revenue but are collected as a state tax and used for foundation program support for other districts. |
| 23. Washington | There is a 1 percent county real estate transfer tax on the sale of all real estate. These funds are apportioned to school districts of the county for current operations on the basis of average annual enrollment. |
| 24. Wisconsin | Counties are required to levy a tax sufficient to produce $350 per elementary teacher unit for elementary and 12-grade districts that have levied at least 3 mills or 5 mills respectively, on the state equalized valuation. |
| 25. Wyoming | Counties may levy a tax on the county valuation of taxable property to produce $400 per teacher and $330 to $450 per bus driver, but the rate may not exceed 3 mills. |

This tabulation shows that 14 states have a uniform county levy that is distributed to the schools in the county on a per pupil basis. The amounts vary but the principle of taxing property for the support of the local school district beyond its boundary is present in each state. The states of Indiana, Iowa, Oregon, and Utah have similar structures but they differ in respects other than the amount. In Indiana only two counties do this and they are not limited to property taxes. In Iowa the county acts as the collection agent to finance forty percent of the approved operating budgets of the local school districts. This forty percent comes from a combination of income tax rebates from the state and a uniform county-wide property tax levy. In Oregon the Intermediate Education District is the collection agent for property taxes under two alternative approaches. Under one approach the IED approves the budgets of the local school districts and then collects fifty percent of the total amount from a uniform property tax levy on the entire IED area. Under the second alternative the IED approves the budgets of the local school districts and then collects one hundred percent of the total amount from a uniform property tax levy on the entire IED area. In both instances the levies are subject to the six percent constitutional limitation. Twenty-five IED's use alternative number one and four use alternative number two. In the state of Utah all school districts are required to levy a property tax of 16 mills on the state equalized fair value of the taxable property of the district. If this produces more than a certain amount the extra is remitted to the state for the school foundation program. This tabulation indicates there exist numerous regional approaches to the taxation of property for the support of local school districts.

## METROPOLITAN AREAS

Probably because of the physical difficulties entwined in solving rural needs by regional units, much more has been written and suggested for solving metropolitan needs by this method. One of the most recent studies of this type was of the metropolitan areas of St. Louis and Kansas City (Clifford Hooker and Van D. Mueller)[62] in which fragmentation was lamented:

> The arbitrary and illogical subdivision of metropolitan communities into numerous governmental units is one of the major problems confronting metropolitan areas throughout the United States. It not only ignores the socio-economic unity of cities and suburbs but also fragments their tax bases and decentralizes responsibility for public services.

Among the recommendations of this study was one advocating the major taxing authority be vested in the regional school district with local tax leeway not to exceed ten percent of the regional levy.

Further concern with this fragmentation is described by B. Zimmer and A. Hawley in Metropolitan Area Schools:[63]

> For the most part, school district organization is largely independent of the boundary lines of other levels of government. Of the 6,604 school systems in metropolitan areas, the boundaries of only 1,854 (28 percent) were coterminal with some other local government areas, whereas the remaining 4,750 (72 percent) were not coterminal. In other words, there are nearly 5,000 school systems in the 212 metropolitan areas which in one way or another overlap the jurisdictional boundaries of other units of governments. And since these districts are independent units of government with taxing powers, this condition can only further complicate the problems resulting from governmental segmentation.

One of the first and most celebrated metropolitan areas organized into a federation basis was centered in Toronto, Canada. However, although an "umbrella", or an area-wide tax was levied to supplement the revenue produced by existing local school levies, this method did not erase the disparities, mainly because of enrollment increases and shifts in the tax base. The author of Report of the Royal Commission on Metropolitan Toronto, Goldenberg,[64] concluded that all school taxes should be levied on a metropolitan base.

Another "model" metropolitan area has been Louisville, Kentucky. Luvern L. Cunningham et al., in Report on the Merger Issue to the Louisville Public School System and the Jefferson County Public School System, recommended a statutory limitation in rate and duration for the local tax leeway.[65]

> "We believe that the rate should be limited to a figure which would produce no more than 15 percent of the amount allocated to the local distict by the metropolitan district and that the life of the tax voted by local district residents be no longer than two years. Voters would have an opportunity every two years to extend a levy for this purpose."

Further substantiating this viewpoint is a study made by Havighurst and Levine[66] in "Emerging Urban Problems and Their Significance for School District Organization in the Great Plain States." They state:

> In order to provide the large sums of additional money needed to improve educational opportunities for disadvantaged children, the metropolitan education system must be viewed as a single source of revenue for attaining the area-wide quality of education required in an industrial society, and steps must be taken to make sure that the resources of the area as a whole are drawn to whatever extent necessary to make education more effective in schools or classrooms which have substantial numbers of disadvantaged children. As a bare minimum, this perspective suggests that an appreciable percentage of the funds utilized for public education should be determined and collected by a metropolitan wide education taxing authority.

While the Bundy[67] report for New York City seems to propose the opposite of regional organization, still this decentralization is not considered for financing schools. Therefore, even though this report recommended the decentralization of the schools into between 30 and 60 community school districts containing from 12,000 to 40,000 pupils each, the rising of revenue was left with the central education agency.

An excellent study that suggests alternative models for organization and administration of urban school systems was made by John Andes.[68] One such centralized model he describes is the Unified City-County Model and it is characterized by being bureaucratic with a large central staff. The high degree of specialization required further increases its bureaucratic nature. However, this Unified City-County model offers many financial advantages. The tax base being spread over the entire metropolitan area results in better tax equalization, thus giving a more uniform level of educational opportunities and services. Andes cites a number of such organizations now existing. For outlining a possible State Model, he uses the state of Florida (Hawaii is the only actual state model) because he had the possible data available. In this model all educational financing is by the state and federal government.

Still another model Andes worked out was suggested by the mayor of a large city who said the problem was "too many districts--too many educational districts, too many health districts, too many recreational districts, too many hospital districts." Therefore, the rationale for the Coordinated

Community Services Model is that an organization including health, educational and welfare services increases coordination. The basic idea for this model is found in the Model Cities program and in community school concepts. This model is fiscally independent, able to levy property tax within bounds specified by the legislature.

The model perhaps most identical to this study is the Metropolitan Education Service Agency for this one is based on the consolidation of independent school districts as far as centralized tax collecting and costly educational services are concerned, but with keeping local participation in selecting educational programs. MESA separates the fiscal support from the operational control. In developing pluralistic models, Andes discusses underlying assumptions of all pluralistic organizations. He says there are three areas of importance in the development of a pluralistic model: a redefinition of the decision-making process; the changing of the judicial powers to an independent body; a rearrangement of executive functions. Morphet, Johns, and Reller[69] proposed a set of assumptions that might guide in the development of pluralistic type school organization:

1. Leadership is not confined to those holding status positions in the power echelon.

2. Good human relations are essential to group production and to meet the needs of individual members of the group.

3. Responsibility as well as power and authority can be shared.

4. Those affected by program or policy should share in decision-making with respect to that program or policy.

5. An individual finds security in a dynamic climate in which he shares responsibility for decision-making.

6. Unity of purpose is secured through consensus and group loyalty.

7. Maximum production is attained in a threat-free climate.

8. The line and staff organization should be used exclusively for the purpose of dividing labor and implementing policies and programs developed by the total group affected.

9. The situation and not the position determines the right and privilege to exercise authority.

10. The individual in the organization is not expendable.

11. Evaluation is a group responsibility.

Andes develops two models based on this different philosophical viewpoint of school control. One is a federal model involving a direct application of a political model to school governance. The second on is an Egalitarian model, emphasizing greater participation of lay and professional groups in the decision-making process. While admitting that these models are merely illustrative possibilities, Andes reiterates the need of alternatives to the time worn, bureaucratic, traditional business type corporation model.

## SUMMARY

Clearly, school district reorganization is a process that has been continuously changing within the last 20 years. The number of school districts has been reduced dramatically as larger school units have been created. Also, the strategies to achieve this end have been modified as conditions shifted within the states. Moreover, in recent years much of the action has centered on the problems of school governance in metropolitan areas. Convolutions of regional units and decentralization plans have been offered as solutions in some cases.

Moves to reorganize school districts have been resisted in almost every state. Legislative strategies and local resistance techniques have been employed effectively in many instances. A description of the accumulated experience in all of the states would make a big book but one without a conclusion. This is so because there is no one best answer to the problem. Also, school district reorganization is a process and not a fact in the United States. The process will likely continue for many decades.

## CHAPTER III

### Footnotes

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# CHAPTER IV

# LOCAL SCHOOL DISTRICTS

## Analysis and Findings

### Introduction

The reorganization of school districts into more acceptable units of administration has been and still is a problem of considerable importance in a majority of states. Although the need for such reorganization has been a persistent one and has been recognized generally, little progress has been made, except in a few areas, under the existing cumbersome methods for effecting changes. A recent trend has been the enactment of a comprehensive law which places responsibility for the reorganization of school districts on both state and local levels. While the enactment of a comprehensive measure to replace former procedures may be essential to a successful program of school district reorganization, many factors within the given state affect the progress of the redistricting program. Among these factors, various items in the state school aid program are important in determining success in redistricting. The findings presented in this chapter are in response to the study purpose of investigating the relationship of state school aids to local school district organization.

The evaluation of the prevailing financial factors in each of the sample states as to their effect on school district reorganization is presented in terms of responses to the following six questions

1. What types of incentive aids are associated with the greatest amount of school district reorganization?
2. What factors in the state aid distribution plans retard school district reorganization?
3. What legal provisions are associated with the greatest amount of school district reorganization?
4. To what extent has school district reorganization reduced variations in tax-paying ability and expenditure per pupil within states?
5. Has school district reorganization introduced greater stability and equity into tax structures?
6. At what level of state support for education does the greatest amount of school district reorganization take place?

Additional findings related to intermediate and regional units are reported in Chapter V. The response to the question "At what support levels must incentive aids operate in order to yield the greatest amount of reorganization activity?" is discussed in Chapter Six. Since a response to this question required longitudinal data not available in the sample states the explanation will be presented on the basis of political implications.

The information presented in this Chapter is organized in four major sections: a description and explanation of the data base, findings relating to Questions 1-3, findings related to Questions 4-6, and a summary.

Data Base and Analytical Procedures

An initial survey of the forty-eight states described as being contiguous was conducted for the purpose of determining a sample of states that would reflect different types of legislative and fiscal programs. Contact people in each state, designated as experts in the area of school finance and district reorganization by their respective state Commissioners of Education, were utilized to identify pertinent issues and in gathering preliminary information. Capitalizing on this information and the research done on legislation pertaining to school district reorganization by the project staff, a summary of legislation was developed for each of the forty-eight states for the period 1948-1968.

A questionnaire was developed asking specific questions of all of the states regarding legislation pertaining to school district reorganization so uniform information would be available on which to base a sample selection. This questionnaire and the revised summaries were sent to the various state contact men for further revisions and corrections, and in the case of the questionnaire, for completion. The completed questionnaires and corrected profiles were analyzed for basic information that could be utilized in selecting a sample of states for futher study.

The sixteen sample states represented a range of situations which could have an impact on reorganization. The method of securing data in the sample states centered around an interview that was conducted with each of the contact people in the sample states. After a comprehensive review of all of the original survey data, a combination questionnaire/opinionnaire was developed to serve as an interview format while visiting the sample states. These interviews produced additional pertinent and relevant data that was used as the basis for the analysis presented in the report of the findings.

Specific steps were followed in utilizing the information collected through the survey questionnaire, interview questionnaire, opinionnaire, and the legislative profiles that had been written. Tables were developed where appropriate to present the data gathered by the questionnaires. The opinion type of information was utilized to help gain a better understanding as to what the real impact of certain legislation and finance programs was in the mind of the state contact person. Using U.S. Office of Education publications on school statistics and school finance, information provided by the state contact people through the questionnaires and interviews, the legislative summaries, and chronological data developed on financial features, a longitudinal profile was developed for each of the sample states for the years 1948-68. These longitudinal profiles contain information on the percentage reduction in number of school districts over the period 1948-68 along with information on legislation and financial features pertaining to school district reorganization. The profile was not developed to establish a "cause and effect" relationship between the legislative variables and reduction of school districts, but rather to graphically display the legislation and finance features that were present in the various states during times of reorganization activity.

Data for development of criterion and predictor variables were obtained from state department of education reports. The primary source of data was the annual financial reports for the respective sample states. However, in most cases additional information was obtained by requesting specific supplemental reports. During the interview visits to each state department of education,questions were resolved regarding interpretation of information in published reports. In those sample states where information pertinent to the study was not available in printed reports follow-up visits were completed for the purpose of gathering data from local school district financial reports filed in the department of education. The basic data were compiled in a standard format and state profiles prepared. A complete listing of the resultant descriptive statistics is included in Tables 1-40 in Appendix E of this report.

Treatment of basic data was accomplished through use of computer facilities and procedures available at the University of Minnesota and the College of St. Thomas in St. Paul. The CDC 160-A and 6600 computers and UMST 500 and Program Regram processing techniques were supplemented with several transitional Fortran programs to facilitate the computations associated with regression analysis.

## Findings - Questions 1-3

Question 1 - WHAT TYPES OF INCENTIVE AIDS ARE ASSOCIATED WITH THE GREATEST AMOUNT OF SCHOOL DISTRICT REORGANIZATION?

Question 2 - WHAT FACTORS IN THE STATE AID DISTRIBUTION SYSTEM RETARD SCHOOL DISTRICT REORGANIZATION?

Question 3 - WHAT LEGAL PROVISIONS ARE ASSOCIATED WITH THE GREATEST AMOUNT OF SCHOOL DISTRICT REORGANIZATION?

The findings for these questions were developed in narrative forms by incorporating all three of them into a single mode of inquiry. Instead of eliminating the information that shows basic differences in how legislation and finance features encourage or discourage reorganization, an attempt has been made to integrate the information so meaningful comparisons can be made. The analysis includes specific reference to professional and personnel regulations; building aid and bonded indebtedness; special fiscal programs; foundation aid programs; federal legislation and court decisions; and basic legislation.

## 1. Professional and Personnel Regulations

There are three basic areas of concern within this category: retirement, certification, and tenure.

In regard to retirement, it was reported in ten states that all of the newly employed school teachers in the state were covered by the same program. Nine out of the ten "Yes" respondents indicated that this factor had no effect on school district reorganization in their state. Only one, Colorado, indicated that this situation might be thought of as encouraging reorganization by eliminating just one more problem that needed to be worked out in effecting a merger. In six states it was reported that all newly employed school teachers in the state were not covered by the same retirement law. In each of these instances, the exceptions to the state wide retirement program were the largest metropolitan units in the state. (i.e. California - Los Angeles, San Francisco, Colorado - Denver, Iowa - Des Moines, Sioux City, Cedar Rapids, Michigan - Detroit, Minnesota - Duluth, Minneapolis, St. Paul, Oregon - Portland, Wisconsin - Milwaukee). In response to the question as to whether or not this situation had any effect on school district reorganization, all six state responses were "No Effect". It is interesting to speculate on what response might have been received if the respondents having separate retirement programs in their states, had been asked what effect they thought their state's retirement laws would have on reorganization of school districts involving these larger metropolitan areas. As reorganization of school districts is generally considered a rural phenomenon, it is conceivable that little consideration was given to how the difference in retirement laws might affect a reorganization of an urban and suburban metropolitan area. For example: both Los Angeles and San Francisco city school district retirement programs allow no credit for any service outside of their respective school districts. What complications does this present for consolidation with a neighboring school district? Another example would be a situation such as exists in Minnesota where there has been a larger dollar amount invested for each teacher in the Minneapolis school district retirement program than that invested for each teacher in the suburban areas in the state retirement program. In terms of a metropolitan reorganization involving Minneapolis and one of its neighboring school districts, how would this discrepancy be accounted for? It is possible that problems such as these could exist that would hinder reorganization activity and were not considered by the respondents.

In only three of the sample states was it indicated that state tenure laws were not the same for all districts in the state and in each instance, the respondent indicated that this fact had "No Effect" on reorganization. In Minnesota state-wide tenure exists, but provisions applicable to the first-class cities, Duluth, Minneapolis, and St. Paul, differ from those that apply to other areas in the state. (e.g. In these first class cities tenure is granted after three probationary years and re-employment for a fourth year, while in areas outside the first class cities, tenure is granted after a two year probationary period for the first two consecutive years of a teacher's first teaching experience in a single district; thereafter only one year probation is required in another school district). In Oregon, tenure provisions are not state-wide in scope. Tenure statutes only apply in districts with average daily membership exceeding 4,500, in districts where tenure was in effect on August 24, 1965, and in any district following the date on which it is merged into or consolidated with a tenure district. In Wisconsin, the third state responding in the negative, tenure provisions are limited to the county and city of Milwaukee, and the state teachers colleges. Nontenure areas are governed by a state-wide continuing contract law of the Spring notification type which require by April 1 written notice of renewal or non-renewal of contract for the next school year.

The responses indicate two states having no tenure laws whatsoever; Mississippi and New Hampshire. New Hampshire does have a fair dismissal law setting up a guaranteed procedure for terminating a teacher's contract.

In eleven of the sixteen states it was reported that there was a uniform tenure or continuing contract law present. Eight of the eleven affirmative responses also indicated that the existence of a state-wide tenure law had "No Effect" on reorganization. The other three affirmative responses, (Colorado, Indiana, Pennsylvania) indicated that the uniform tenure law actually encouraged reorganization. The reason given for encouraging school district reorganization was that the law protected the tenure of teachers from component districts forming the reorganized district.

All sixteen states presently have uniform teacher certification laws. In two of the states, Colorado and Iowa, it was felt that this was a factor that encouraged school district reorganization. The other fourteen responses indicated that this factor had "No Effect". Minnesota, in which uniform certification just recently became a reality, has a regulation eliminating teaching permits on less than a college degree. According to the Minnesota respondent, a 1969 law abolishing life certificates will encourage the disappearance of one-room schools and that prior certification laws have had little or no impact on school district reorganization.

## 2. Building Aid-Bonded Indebtedness

For every sample state there was reported a provision where the bonded indebtedness of a former district may be assumed by the newly formed district. These provisions take many variations in form and are reported to have a different type of impact depending on the content of the provision. The responses from five states indicated that the bonded indebtedness feature encouraged school district reorganization. Only two responses indicated that the feature discouraged reorganization while seven states have a bonded indebtedness feature judged as having "No Effect". One state, Michigan, has a provision that has been judged to both encourage and discourage reorganization.

The Michigan provision has both encouraged and discouraged reorganization depending on the circumstances of the individual case. The respondent indicated that sometimes the law confuses the issue. Basically the law has three components: (1) If any district becomes part of a consolidated district and has a bonded indebtedness at the time of consolidation, the identity of such a district shall not be lost by virtue of such consolidation and its territory shall remain as an assessing unit for purpose of such bonded indebtedness until such indebtedness has been retired on the outstanding bonds refunded by the consolidated district; (2) Any time after three years following the consolidation the consolidated district may assume the bonded indebtedness of an original district, spreading the tax levy for retirement uniformly over the entire consolidated district. An election is needed before this is done; and (3) The indebtedness feature also provides for petition requesting a simultaneous election on (a) consolidation, (b) increase in constitutional debt limits, and (c) assumption of outstanding bonded indebtedness. The consolidation fails, even though enough votes were cast to pass it, if propositions (b) and (c) do not also pass.

An analysis of the provisions in the two states where the bonded indebtedness feature discourages reorganization, Minnesota and Mississippi, shows that the mandatory assumption of debt by the newly formed district of all of the former component districts has resulted in a reluctance on the part of districts with less debt to share the burden of districts with greater debt, especially if there is a large debt involved.

An analysis of those five states where it was reported that the bonded indebtedness feature encouraged school district reorganization shows that each of these states has a feature encouraging reorganization that is different from the others. Colorado has a provision providing for voluntary assumption of bonded indebtedness by the newly created district which appears to be similar in some ways to Michigan law. At the time of the reorganization election the county planning committee can place on the same ballot the question of assuming the existing bonded debt of the component districts. The issue does not have to be presented in this manner. The reorganization committee has the option of leaving the assumption of outstanding debt off the ballot. If the reorganization is effected, the area of the old district must pay off its indebtedness by taxes levied by the newly elected school board. The new board, by a majority vote, can place the matter of debt assumption before the voters at any later regular biennial school election held for the purpose of electing school directors for the district. A majority of the persons voting on the proposed issue for the assumption of the bonded indebtedness cause it to be passed.

The state of Maine has a provision (Title 20, Chapter 9) whereby two municipalities reorganizing into one school district become eligible for state assistance on debt retirement. This assistance, which ranges from 18% - 66% depending on the district's tax base, can be received on debt incurred on all buildings constructed since 1957. In no place was it reported that the state was willing to completely assume the outstanding debt of the reorganizing districts. It is submitted that a provision of this nature would greatly stimulate reorganization activity.

New Hampshire has a bonded indebtedness feature encouraging the formation of cooperative districts as described in the section on basic legislation (N.H.S. 195:6). The cooperative school district assumes those outstanding debts and obligations of the local school district which pertain to the property acquired by the cooperative school district for use by the cooperative district. The cooperative district also assumes all assets and property of the local districts.

Pennsylvania changed its provision for the assumption of bonded indebtedness during the years of this study. Before September 12, 1961 all real and personal property, indebtedness, and rental obligations of former districts became the property, indebtedness, and rental obligation of the newly established district. The respondent indicated that this was changed in 1961 to provide that all obligations of any component former district as evidenced by funding bonds was to continue as an obligation of the taxable property within the former component school district. This was considered to encourage reorganization in Pennsylvania.

In South Carolina a special situation exists. There a provision involving the mandatory assumption of all liabilities, including bonded debt, has encouraged school district reorganization. This is discussed to a greater extent later in this section in conjunction with the passage of incentive aids for school buildings.

All of the states in which the bonded indebtedness was judged to encourage school district reorganization either adopted or revised the features of the provision during the twenty years of this study. Six of the seven states having a feature providing for the assumption of bonded indebtedness but where the respondent judged it to have "No Effect", adopted the feature before 1948. Only one, Indiana, made a revision in the law during the twenty years of the study and this revision dealt with detached territory for which the bonded indebtedness was distributed over the territory involved on a ratio basis. The state of Oregon also has a provision for the assumption of bonded debt. The reason for the respondent indicating that the provision had "No Effect" was predicated on the fact that it was part of the School District Reorganization Act passed in 1957. The feature did not have a singular impact for it was part of the legislative package whereby the county reorganization committee determined the value and amount of all school property and all bonded and other indebtedness of all school districts affected by the comprehensive reorganization plan and then determined an equitable adjustment of all property, assets, debts and liabilities of each such school district.

Provisions in the state granting special state aid on principal or interest incurred for the debt from school building construction resulting from school district reorganization were generally judged to encourage reorganization. Of the eight states in which the feature is present, it was reported that the provision was encouraging reorganization in six. In none of the eight states was it reported to discourage reorganization and in the two states where it was reported to have "No Effect", special circumstances existed. In California, for example, school building aid is available for all school districts in the state and not just reorganized districts. In fact, at one time this had a discouraging effect on unification because of the delays caused the reorganized districts in arranging for the aid. When this was corrected it no longer hindered reorganization but at the same time, it can be judged to have no more than a neutral effect. Pennsylvania, another state providing aid for school building in reorganized districts where the provision was judged to have no effect, has yet another situation. The building aid was part of 1963 legislation providing for consolidating and organizing to provide for vocational-technical education. Although it has served to aid building construction in newly formed vocational-technical districts, it has had little effect on the eighty percent reduction in number of school districts since 1948.

Although Indiana has two provisions that aid school building construction in its state finance program that were judged to encourage reorganization, it was emphasized that the provisions only indirectly apply. The two, a property tax relief fund to be used principally for debt service and school building, and the other, a Veterans Memorial school construction fund, are available to all school districts in the state and like California, not just the districts that have reorganized. These funds indirectly encourage school district reorganization because they are potentially available to newly formed districts meeting the criteria necessary to qualify for receiving them.

The other five states in which aid was present, have features in their program that directly encourage reorganization. Maine is an excellent example. In 1957 legislation was passed to encourage the formation of large school districts by providing state aid for school construction, school debts, and Maine School Building Authority leases assumed by the district. Any administrative unit having over 500 pupils in grades 9-12 can qualify for the aid. The percentage of aid is based on average per pupil valuation and varies from 18% - 66%.

Mississippi legislation involves both permissive and mandatory features. The building aid feature was first made a provision of the state's legislative program as part of the 1953 reorganization act which was basically mandatory in nature. It was an attempt to combine the "carrot and stick" approach in one package. A state level Education Finance Commission was established in charge of the money available for school construction. This commission established criteria newly reorganized school districts had to meet in order to receive building aid. If the criteria were not met, money was not made available. The fact that building aid was made available under this condition helped take the sting out of the more mandatory features of the legislation and had a major impact on how the reorganization plans were structured, especially in regard to the location of schools within the district.

It was reported in the information received from New Hampshire, that 1955 legislation providing state building aid for those cooperating districts formed from two or more districts from two or more towns, has encouraged reorganization of this type. The only limitation seems to be the small amount of money made available under this provision. It was also indicated that the building aid at this time is for debt service and would probably be of more value if this was changed, perhaps to some type of equalization aid.

An analysis of the information collected from New York revealed that this state has one of the stronger building aid incentive features and it was judged to have definitely encouraged school district reorganization. Although the state has had building aids of one kind or another since the 1920's, the 1956 legislation set forth a new enactment that related to the apportionment of public monies to central school districts, especially the building quotas. Any central district which was organized was to receive an apportionment to be known as a building quota. Ceiling costs are calculated on the basis of pupil enrollment and this has resulted in a substantial incentive. Adjustments are provided for trends in school population and the paying off of previous bonded indebtedness.

As mentioned earlier in this section, South Carolina has legislative features calling for mandatory assumption of bonded indebtedness by a newly created district of the debt of the former component district. This feature was part of a package of legislation enacted in 1952 which also encouraged reorganization by providing school districts with funds from a 3% sales tax for school construction. At the time of this enactment the Educational Finance Commission was established to handle the building and transportation program with the mandate to encourage the consolidation of school districts so far as practical. In order to assist school districts in financing needed capital improvements, the General Assembly annually allocates to the Board a sum equivalent to twenty-five dollars multiplied by the number of pupils enrolled in grades one through twelve of the public schools during the school year next preceeding the year for which the allocation is made, provided, that the amount allocated for the fiscal year 1969-70 and each year thereafter shall be computed at the rate of thirty dollars per pupil; provided, further, that for no year shall the amount allocated be less than the total sum required to meet principal and interest payments becoming due in that fiscal year in state school bonds.

Of the eight states where it was reported that there was no provision in the state finance program providing aid for school building construction, it was indicated in two that the absence of such a provision served to discourage reorganization. Responses from both Michigan and Wisconsin indicated that the addition of this type of financial incentive would stimulate reorganization activity.

### 3. Special Fiscal Programs

Special purpose aids are those aids approved by laws which indicate the exact purpose for which money shall be expended by local boards of education or for which the money is provided. In some instances statutes have been enacted by state legislatures for the expressed purpose of encouraging school district reorganization. At other times, legislation has been enacted providing special aids that have indirectly had an impact on school district reorganization. Quite often these aids having an indirect influence on reorganization have served to hinder or impede the process. This section describes how special fiscal programs have served to both encourage and discourage school district reorganization. Six types of special aids are considered: tuition, special education, distressed district aid, small district penalty, financial premium and transportation.

Tuition Payments: Six of the sample states have no provision providing state tuition payment for non-resident pupils. Of the ten states having such a provision, respondents in seven of these indicated that the provision actually discourages the reorganization of school districts to a certain extent. In two of the states it was indicated that having this provision had no effect and in one of the states no opinion was given. In no instance did the response from a state having such a special aid, indicate that it in any way encouraged reorganization. In certain ways the aid is a paradox. As it was indicated on one response, "This type of aid discourages reorganization in some instances but nevertheless is a practical necessity for some districts."

Four of the seven states, Iowa, Michigan, Minnesota, and Oregon, have a provision for state tuition reimbursement to districts sending their pupils to school in other districts. Maine has a more complicated feature paying school districts aid on the basis of tuition lost. The New Hampshire provision pays tuition costs for only special education and vocational education in other districts and although the impact was judged to be minimal, it nevertheless was considered to be discouraging. Nebraska's tuition for nonresident pupils is derived from county funds and has especially discouraged the reorganization of secondary school districts.

California and Indiana were the two states having a tuition payment feature but where it was reported to have no effect. In California tuition agreements are contracted for on a local level, usually between elementary and high school districts maintaining a junior high school. The reason given for the lack of impact on reorganization was the fact that there are so few of these agreements. Indiana has a tuition factor built into the state's regular school support program where aid is extended for capital outlay expenses. Whereas both resident and nonresident students are used in determining the amount of aid, the respondent indicated that the tuition factor itself was somewhat neutralized in its impact.

Special Education Aid: It was reported in all sixteen states that state aid was available to local school districts for special education purposes. The responses from thirteen of these states, indicated that this specific type of aid had no impact on school district reorganization. The need for special education services is so generally accepted, that the distribution of such aid is usually state-wide and nondiscriminatory. As a result, it seems to have little relevance for discussion on school district reorganization. In one state, New York, the special education aid feature was judged to discourage reorganization primarily because of the way it is distributed. The money is distributed to the BOCES (Board of Cooperative Educational Services) units which in turn provide services for the small school districts thereby establishing just one more service that the small district can receive without having to reorganize into a large district. In South Carolina, statewide aid for special education was conceived of as encouraging reorganization. The reason given for this was that it created an awareness in the mind of the people living in small districts that they simply could not provide many of the necessary education services needed.

Distressed District Aid: Data collected revealed that nine states have special aid assistance for financially distressed districts. Of the seven states having no such feature, the respondents indicated that its absence had no effect on school district reorganization. Michigan was the only one of the nine states reporting the presence of the aid that said the aid discouraged reorganization. In this state the respondent indicated that the aid formula provides financial assistance to districts that should probably be reorganizing but are able to exist independently with distressed aid.

Four states, California, Colorado, Indiana, and Maine have distressed aid programs where it is reported that they have no effect on reorganization. California's program is designed for emergencies and provides aid to extremely poor districts. They are often large districts with a low tax base. In Colorado distressed district aid comes out of contingency reserve funds and is considered to be neutral in impact. Indiana schools can receive distressed district aid as a grant only if they can prove extreme financial hardship. In this state it is reported that this has no real relationship to the reorganization question. In Maine the program is designed to aid municipalities with low borrowing power and serves as a hardship grant for school building. Only indirectly is it related to reorganization.

It is interesting to note that distressed district aid was actually considered to encourage school district reorganization in four of the states. Distressed districts in Minnesota are eligible for emergency aid. It was indicated that the aid has been used to aid viable districts that are in temporary financial problems. In New York, a district must have a minimum of 2,000 pupils and a maximum tax rate to qualify for distressed aid. Upon qualification, a distressed district can receive $3 in state aid for every $1 raised locally. The respondent in Pennsylvania indicated that this type of finance feature has encouraged school district reorganization in that state as districts are able to merge because it helps eliminate debts which other districts would be reluctant to absorb. Although the feature was eliminated in 1969, the Wisconsin respondent indicated that the provision in that state indirectly encouraged reorganization. A stipulation for receiving distressed district aid which insisted that the districts maintain a minimum mill levy before they would be eligible, has tended to encourage mergers.

Financial Premium: Only five of the sample states have a supplemental aid designed to specifically provide bonus money to a reorganized district. One of these, California, has a feature that has tended to both encourage and discourage reorganization. In three states (Maine, New Hampshire, and New York) the bonus feature has proven to be a real stimulus in the reorganization area. Pennsylvania has a bonus aid feature that tends to have a neutral effect. In eleven states where it was reported that a bonus feature is not a part of the aid program, responses indicated that it had no effect. Wisconsin was the only exception to this. Although the state has no bonus aid feature, the indication is that its absence discourages reorganization.

In California any favorable vote on a proposed unified district provides an increase in foundation program monies of up to $20.00 for every student at the elementary and secondary level. If the newly unified district is on basic aid it receives none of this $20. If the new district is on equalization aid it will get all or part of the $20.00 depending on a wealth factor. Each elementary district voting favorable on unification is entitled to $20 increase in foundation program even if the issue fails in the total area. Of course, this encourages reorganization. On the other hand, this must be revoted every four years - locally more often if desired. There is a probability of losing the $20.00 in the second election. This uncertainty of whether or not this money will be available has made it difficult to plan long-range programs and has made some people reluctant to reorganize under these uncertain conditions. It was also reported that the $20.00 figure is no longer large enough and to be truly effective, must be raised. So it is, that this bonus has a tendency to both encourage and discourage reorganization.

As with the building aid feature discussed previously, the state of Pennsylvania has a supplemental aid feature as part of a program designed to encourage organization for vocational-technical education. It sets forth a state reimbursement to every school district of no less than $75.00 for every resident pupil in an area vocational school. This too, has had little overall effect on the total reorganization process.

In addition to the 1957 legislation which provided incentive building aid for reorganized school districts, the legislature in Maine enacted a provision providing for supplemental aid to those same districts. The enactment provided that when administrative districts are reorganized, the state subsidy paid annually to each district shall be supplemented by an additional 10% of that amount. These funds are suspended unless the district provides a kindergarten through 12 program with at least one secondary facility.

In New Hampshire the 1963 legislature provided incentive aid which encouraged districts to undertake the obligations of a cooperative district. The state board pays annually to each cooperative school district sums based on average daily membership in the preceeding year in accordance with the following schedule: for each pupil from a pre-existing district who attends a cooperative school located in another pre-existing district, in a cooperative elementary school, $45; in a cooperative junior high school or equivalent program, $60; and in a cooperative high school, $75.

Questionnaire and interview information from New York indicates the state's supplemental aid program for reorganization has strongly encouraged the process. In addition to the building aid incentive previously discussed, enlarged city school districts were encouraged by both the 1952 and 1956 legislatures. In 1952 all approved districts resulting from consolidation received an annual apportionment of money in addition to that amount due to the separate districts before reorganization took place. In 1956 the bonus amount was increased by devising formulas based upon greatly increased full valuation of property. This encouraged reorganization but still set minimum standards by which the districts had to qualifty.

Transportation Aid: Although transportation aid is being considered here as a special financial program, it is not uncommon to find this aid as part of the basic foundation program. New Hampshire is the only one of the sixteen sample states that does not provide transportation aid. Certainly the size of the state is a factor in this aid's absence in New Hampshire and why this absence seems to have no effect on school district reorganization. The other fifteen states all have some type of program providing funds for transportation. It was reported that in nine of these states transportation aid has definitely encouraged reorganization, in five states it has had no effect, and in one of these states it actually had a hindering effect.

It was Indiana where this aid was reported present but having a discouraging effect on reorganization. Due to a procedure which utilizes a sparsity and wealth factor in the formula for determining the amount of aid some reorganized school districts receive less money for transportation than the total that the pre-existing districts would have received independently. Although it seems that this has not been a major hinderance to reorganization, it was regarded as a factor.

California, Mississippi, Nebraska, Oregon, and Utah were the five states having a transportation aid program having no effect on reorganization. In California transportation aid is based on the wealth of a district and only slightly favors unified districts. In Mississippi transportation aid is part of the foundation aid program and its method of distribution results in a neutral impact on reorganization. Nebraska did not have a transportation aid until 1967 and it is simply too early to evaluate its impact. In Oregon the state pays about 54 percent of all approved home-to-school costs. As it is the same for all of the districts it is considered neutral in effec on reorganization. Utah, of course, has had no reorganization activity at all.

Generally, the data reveals that the respondents in the nine states where transportation aid is considered an incentive to school district reorganization believe that the fact alone that aid is provided to transport students to schools farther away from "home" with minimum cost to parents and to the local school district is reason enough to encourage reorganization. Transportation aid doing just this thing has traditionally been considered one of the most consistent incentive aids for school district reorganization. The literature also reveals that transportation aid has been one of the aids in existence for the longest period of time (for example, twelve of our sample states had transportation aid before 1950). This aid seems to be especially effective in situations where it provides a high percentage of the costs or where it is specifically designed to encourage certain types of reorganization. In Maine, for example, where the thrust is to encourage reorganization around municipal areas, district schools had to pay transportation costs but municipal schools did not. Colorado and Michigan can serve as examples where a high percentage support level has had a strong encouraging influence on reorganization. The program in Colorado provides for the state to pay up to 70 percent of the actual cost. In Michigan the state pays up to 75 percent of the actual cost with a $200 maximum per pupil.

## 4. Foundation Aid Programs

All of the sample states have a basic foundation aid program which provides certain minimum amounts of state monies to local school districts for the support of public schools. It is extremely important to note that foundation aid programs differ dramatically from state to state not only in terms of the features in the different programs, but also in terms of the actual dollars being spent by the states to fund these programs.

This discussion does not attempt to analyze and critique the various features of the sample states' foundation programs. It focuses specifically on those features that appear to have an influence on school district reorganization, either of a positive or negative nature. To provide this analysis, different features have been categorized in the following manner: No Loss Clause, Minimum Program Standards, Sparsity-Density Factor, Benefits Based on Size or Class, and Related Financial Factors.

No Loss Clause: Basically a "No Loss Clause" in the foundation program refers to a built in provision guarding against a newly formed school district receiving less money in foundation aid than the total amount of money that the individual districts would have received if they would have remained independent. In some states "No Loss" features are specifically built into the program. In others, no loss in aid is an ex post facto occurence that is as much a result of accident as of good planning.

Eight of the sample states do not have a "No Loss" feature. In these eight states, the responses also indicated that the absence of the "No Loss" feature has no effect on school district reorganization. With the exception of Colorado, the data collected does not reveal if in fact, reorganized districts in these states run the danger of receiving less state aid.

Seven of the sample states are reported as having a "No Loss" feature that has had an encouraging effect on reorganization. One state, Wisconsin, also has the feature but in this state it is judged to have a discouraging effect. The reason given is quite revealing as to the side-effects of many state financial features. It seems that in Wisconsin the "No Loss" feature has encouraged some poor reorganization moves where a small district joins with another small district to form still too small a district. As a result, educational leaders have hesitated to encourage reorganization where it appears that this type of activity will take place.

The "No Loss" feature is similar in the seven states where it is considered to encourage reorganization. There are some slight variations among the states such as Indiana's provision which states that the newly formed district is to receive no less aid for one year than the total that the preexisting districts would have received. In Maine, the "No Loss" feature is tied in with that state's bonus aid feature of 10 percent additional aid which was discussed previously. In Michigan a rather unique situation exists for the "No Loss" law has been suspended due to court action. It was in existence for the years 1964-66. During this time aid was paid separately each year to the tune of some $1.7 million and was considered to strongly encourage reorganization. Mississippi laws have a feature built into the foundation formula which is based on the transfer into the new district of students in average daily attendance that prevents in any possible way loss of aid for that new district. In New Hampshire the "No Loss" feature provision is referred to as the "Save-Harmless" clause and is part of that state's general aid program. It guarantees a minimum aid ratio of 36 percent for newly constituted districts. The Pennsylvania "No Loss" feature is built into the foundation program and is considered to have strong impact on reorganization.

Minimum Program Standards: It was reported in twelve states that minimum program standards of one kind or another were necessary to receive state foundation aid. What is the most important thing to note is that this feature was considered to have no effect in eight of those twelve states. This fact, taken with the fact that the feature is not even present in the other four states sampled, leads one to believe that minimum program standards have had little impact on school district reorganization.

California has a feature which financially penalizes districts if a certain pupil teacher ratio is exceeded. There is also a requirement that all teachers hold a state approved certificate. This has not been considered to be effective in terms of reorganization due to enforcement procedures and the amount of money involved. In Indiana, the minimum program standards relate to the payment of foundation aids that are not considered to be related to the reorganization question. To receive state equalization aid money in Iowa the district must be approved by the State Department of Public Instruction and maintain a K-12 program. Even so, this feature was considered to have little effect on the question of reorganization. Response from Iowa indicates that this feature has encouraged spending but not reorganization. In Mississippi there is an ingredient built into the foundation program whereby the training level of teachers in a district helps to determine the minimum aid they receive but again, this is viewed to have no impact on reorganization. New Hampshire districts must maintain approved schools in order to receive foundation aid. In theory this looks fine, but in reality is seldom enforced. In New York minimum standards are published but aid is generally not withheld. One of the New York respondents indicated that "the kids are handicapped enough" and that the attitude in New York is that state foundation aids should not be punitive. The response from Minnesota, one of the states not having this feature, also echoed this sentiment. It was reported that the state of Oregon has a provision where aid can be withheld if districts are below standard. If a district has been judged to be non-standard it must present a plan remedying the ills. In reality, no districts are deprived of money. A certain commonality seems to exist in those states having minimum program standards but where the feature is considered to have little or no effect. It is the agreement among respondents that the penalties implicit in the feature which would result in less school aid to districts not meeting minimum standards are seldom, if ever, enforced. This is due to either a reluctance on the part of state officials to penalize already disadvantaged districts, or procedures written into the minimum program feature which allow sub-standard districts to circumvent the imposed regulation.

In the four states where the responses indicated the presence of minimum program standards that were actually enforced, the feature was considered to encourage reorganization. In Colorado state aid is discontinued to school districts operating less than a 12 year program. In South Carolina foundation aid goes to only accredited schools. Teacher certification standards are a basic part of this state's program. Wisconsin state support provides greater funding to school districts operating grades K-12 than it provides for Union High School and K or 1-8 districts. Although minimum program standards are not related to dollars spent in Nebraska, accreditation is denied sub-standard districts and this was interpreted to encourage reorganization.

Sparsity-Density Factor: The data collected indicates that only eight of the sample states have provisions in their foundation program that specifically contains a correction factor for sparsely or densely populated areas. In three of the states with such a factor the indication is that it discourages reorganization. For example, California has a provision that provides $10 less foundation program aid for districts under the County Service fund (elementary districts of fewer than 901, high school districts under 301, and unified districts under 1,501) because they get direct services from this County fund which is state provided. Elementary districts of under 100 pupils get a little more aid which does discourage reorganization. In some instances the basic aid provision permits low local tax. This has also been judged as a deterrent to reorganization. The Iowa foundation program has an equalization aid feature which reimburses for sparsity, especially for transportation. This provides enough aid which encourages the continuing existence of some small districts. A New York provision requiring 1,500 kids maximum to receive sparsity aid was considered to preserve some small districts in the state long after the need existed. New York also has a density factor which seems to prohibit reorganization in the larger metropolitan areas of the state. Six of the biggest cities, Albany, Rochester, Syracuse, Buffalo, Yonkers and New York are not allowed to join any Boards of Cooperative Educational Services because of the density aid they receive.

The state of Pennsylvania now has a sparsity-density factor built into its foundation program along with a number of other factors. The presence of this feature may either encourage or discourage reorganization. If reorganization would result in a combination of factors increasing the aid ratio, it encourages. If reorganization would result in a combination of factors decreasing the aid ratio, it discourages.

A sparsity factor became a part of the Nebraska foundation program in 1967. There seems to be no way to evaluate the effects of the program at this time. Three state programs were considered to have a sparsity factor with little impact on reorganization. Colorado has a provision providing isolated, small attendance areas with aid money. Due to the special circumstances under which these districts receive aid, it has little impact on reorganization. Sparsity is a factor in the formula for determining transportation aid in Mississippi and was not considered pertinent to the question of reorganization. In Oregon the sparsity factor is literally non-operative. The dollar amounts in the program have not been updated and the small schools can get more money under the regular foundation aid formula. It really has not distributed enough money in any way to have any impact on reorganization.

Benefits Based on Size or Class: In not one of the states sampled does there presently exist a provision designed to financially penalize or punish in some way districts not meeting some minimum size standards. Differences in aid payments do exist to a limited extent for different sizes or classes of districts, but no state specifically goes about the process of adopting measures punitive to small districts. The approaches utilized to discriminate among different size or class of district in the few states where such an attempt exists, are more subtle. Nevertheless, in the three states employing a formula using size or class of a district as an ingredient, it is reported to discourage rather than encourage reorganization.

In Iowa a minimum size of 300 pupils before a district is confronted with losing aid is considered too low and has actually encouraged small districts to continue in existence. The response from Minnesota indicates that although this state has a provision that suspends aid for certain small districts, it has been neutralized by a companion provision which has made it nearly impossible to suspend aid since repeated warnings are required as well as time is given to correct any violations. This has been used by districts who have been told their school was too small, to keep operating year after year in the face of repeated warnings. Foundation aid in South Carolina is adjusted on the basis of a sliding scale which penalizes small districts to a certain extent, but still pays them enough aid to discourage reorganization.

In Indiana minimum size of 1,000 pupils has been set for reorganization purposes but does not enter into the foundation aid program.

Again, this section points out the reluctance on the part of the various states sampled to utilize punitive measures to force school district reorganization. Where punitive measures are present, ways of circumventing the provisions exist or the reduction in aid is so small that it has little impact on reorganization.

Related Financial Factors: In the questionnaire responses and also during the interviews, information was received that does not specifically break down into the exact categories which have been discussed so far in this chapter. The data analyzed in this section are of a more miscellaneous nature. Although treated in this manner, the reader should be aware that this information has been cited by the respondents in the sample states because of its real or potential impact on school district reorganization.

In the spring of 1969 a law was enacted in Minnesota stating that equalization aid is no longer available to districts maintaining only ungraded schools. Such districts are limited to a minimum flat grant amount per pupil. Until this provision was inserted, districts were really not discouraged from operating one room schools. A tax advantage existed in such districts because of the liberal program aid.

As previously discussed in this chapter in the section on legislation pretaining to reorganization, Pennsylvania had a law which was enacted in 1949 that classified districts by population and then paid supplemental aid on the basis of classification size. It also encouraged reorganization by paying additional amounts when different mergers, unions, or jointures took place. This was repealed effective June 30, 1968. The reason given for its repeal was that it had encouraged school district reorganization as much as it could in its existing form. Up until 1968, when the legislation had accomplished its purpose, Pennsylvania appears to have had one of the better incentive features for encouraging reorganization into larger school districts.

One general feature in the foundation aid plan in California which discourages reorganization is that wealthy districts still are eligible for a fair amount of basic aid. As they are then able to operate on a lower tax rate in many instances, they are reluctant to reorganize with other districts if this privileged position is jeopardized.

The interview in Indiana revealed that this state has what is referred to as a "Transfer Policy" which has made it possible for non-operating districts to receive transportation and tuition aid when contracting for services with operating districts. In one sense it was considered to have encouraged reorganization for when the 1959 legislation was passed providing for the big reorganization push in that state, it was easier for some of these cooperating districts to get together. On the other hand, these non-operating districts enjoyed a lower tax base which had a tendency to discourage reorganization. Today, so few districts are involved that this feature has no effect.

The Michigan respondent indicated that expenses involved in providing for vocational education programs have promoted reorganization of small districts in that state.

Finally, in Mississippi there is a built in incentive grant in the formula for determining equalization aids. Because of reorganization, if local effort is increased more state aid is given on a graduated basis.

### 5. Federal Legislation and Court Decisions

An affirmative answer to the question "Had any federal legislation or court decision had any influence on school district reorganization?" was received in only five states and in three of these (California, Mississippi, and South Carolina) federal court action or legislation pertaining to integration was given as the influencing factor. Among the ways in which court action or legislation pertaining to integration has influenced reorganization, the three observations which follow are reported:

1. The timing of reorganization itself has been affected. In certain instances reorganization was encouraged as states have been forced to comply with legal regulations and restrictions within set time limits. In a few instances this type of federal action has discouraged reorganization as people have been reluctant to submit to changes in school district structure which would result in differences of a pronounced nature in the racial, social, or economic composition of their school district;
2. The second major influence seems to be in the restructuring of school district boundaries. In order to provide equal educational opportunity for pupils of all races, certain states have had to restructure their district boundary lines. This has generally discouraged reorganization and has been accomplished to a certain degree by mandatory features;
3. Another influence of integration legislation and court action has been on the placing of school buildings within the districts. In an attempt, to avoid the restructuring of district boundary lines in certain areas, new school buildings were built in poor, racially imbalanced sections of the district thereby establishing a rationale for gerrymandering of boundary lines to exclude these sections of a district from newly proposed, more racially balanced districts.

Only one other type of way in which federal legislation has influenced reorganization was reported in the questionnaire responses. In Michigan the answer indicated that federal and state programs requiring cooperation between districts have laid the groundwork for later consolidation. Some interview responses indicated the same thing was true in other states. Pennsylvania had significant state supreme court action which upheld the state's school district reorganization law as constitutional.

### 6. Interstate School Districts

The concern for quality education in a few states has led the legislatures to forget their insularism and to look to means of co-operating with other states even across international boundaries. The states of Vermont, New Hampshire and Maine have passed legislation permitting the formation of interstate school districts. The actual setting up of the district requires congressional approval and so far Vermont and New Hampshire have one district operating.

In sparsely populated regions close to the Canadian border arrangements have been made with provincial governments for school age children to cross the border and attend Canadian schools. Where this has involved French speaking schools, summer schools in English are operated and are heavily attended not only by the children but also by their parents.

There are many areas of this country where the natural economic and social boundaries cross state lines and it would seem reasonable that school district boundaries should also cross these lines. So far in the northeast area it is sparsity which has been the motivation force for the interstate district. However, it is in densely populated areas where the state line is an artifical boundary that perhaps the interstate district would produce the optimum effect.

## 7. Basic Legislation

After an analysis of the information developed in the summaries on legislation, the data collected in the questionnaires, and the answers received in interviewing experts within the sample state departments of education, it is evident that the different states have gone about the process of putting together legislative programs designed to encourage school district reorganization in various ways.

Because of the illusiveness of trying to establish a direct cause and effect relationship in analyzing a combination of legislative and finance features and the impact they may have on school district reorganization, profiles for each of the states have been developed for the twenty years of this study. These profiles (see Chapter II) visually portray three related types of information: 1) A breakdown in the number of school districts existing during these years by total and type; 2) The type of basic legislation existing at the times when reduction in school districts occurred; and 3) What financial features were present in the state at the times when reduction in school districts occurred.

The remainder of this narrative on the findings, draws attention to the total legislative package existing in each of the fifteen states at the time when that state experienced its greatest percentage reduction in number of school districts. Utah, of course, has had no reorganization activity.

California: Over the twenty years of this study there has been a 53 percent reduction in the number of school districts in California. The trend has been toward reorganizing into unified school districts as evidenced by the fact that the number of school districts containing secondary schools has increased by 28 percent since 1948.

Although the state has experienced steady reduction in school districts, two periods of time indicate more activity than others. Between 1945 and 1954 a total of 1,934 districts were eliminated. A twenty-five percent reduction occurred between 1964 and 1968.

During the 1945 - 1954 time period a number of pieces of legislation were introduced. In 1945 an optional reorganization act was enacted establishing a State Commission in school districts, Regional Planning Commissions, and Local Survey Committees which were to formulate plans and recommendations for unification or other reorganization of school districts. In 1947 this legislation was extended upon by removing some restrictive voting requirements and giving more power to the local survey committees.

In 1949 another series of amendments were added to the 1945 statute. The 1945 State Commission was dissolved and its power transferred to the State Board of Education. Another significant amendment at this time was the mandatory establishment of a school district reorganization committee in every county except San Francisco.

1951 legislation provided an optional reorganization plan along with setting forth basic changes in the Equilization Aid and Transportation Aid Program.

Only one significant piece of legislation was reported during the 1964-68 time period. The 1964 legislature provided some incentive funds for those districts that had reorganized or would agree to do so. The provision increased the foundation program for more efficiently organized districts. In 1966 the number of districts had decreased from 1,536 in 1964, to a total of 1,357.

Through basically permissive legislation the number of school districts in California has dropped from 2,554 in 1945-46 to a 1968 total of 1,138. Between 1948-1968 the number of non-operating districts has dropped from 117 to 2; the number of elementary only districts from 2,026 to 738; the number of secondary only districts from 236 to 121; while at the same time the number of districts operating elementary and secondary schools has increased from 37 to 229.

Colorado: During the time of this study the state of Colorado has experienced 89 percent reduction in the total number of school districts. By the fall of 1968 the number of school districts in the state had dropped to 181 from a 1948 total of 1,644. All non-operating districts have been eliminated and those districts operating only elementary schools have dropped from 1,455 in 1948 to 3. During this same time the number of districts operating elementary and secondary schools has increased from 141 to 178.

The years 1956 to 1964 witnessed a tremendous amount of reorganization activity as evidenced by a 77 percent reduction in total districts from a figure of 972 in 1956 to that of 222 in 1964. During this period of time a number of significant additions and revisions took place in Colorado's legislative program. In 1956 transportation aid became a financial feature for the first time and has been reported as an incentive to reorganization. In 1957 the District Organization Act was passed calling for the equalization of the benefits and burdens of education throughout the state, counties, and communities. State financing of planning committees was a feature of the act which resulted in reorganization studies being conducted throughout the state. In 1963 a sparsity factor was added to the finance program but more important, the provision for assumption of bonded indebtedness by the newly formed district was revised. This revision was reported to have an encouraging effect on reorganization.

Indiana: In 1948 there were approximately 1,200 school districts in Indiana. By July 1, 1969 this number had been reduced by over 90 percent to a figure of only 289. The major portion of this reduction has taken place between the years 1959 and 1969 as there were still over 1,000 school districts in the state in 1959.

In 1959 the General Assembly passed significant legislation entitled the School Corporation Reorganization Law. Machinery was set up to enable citizens in each of the counties to study their own school organization needs and to institute change when they believed improvement was needed. A State Commission and county committees were created to assist the people in their efforts and although studies of school corporation organization were required by law, the law did not require any changes if a majority of the local citizens did not want them.

Changes were also made in 1959 with a number of the state's aid features. A "No Loss" provision became part of the aid program for the first time. A subtle feature granting financial favoritism to certain districts also became part of the program. A building fund was also established and revisions were made in the provision whereby newly formed districts were allowed to assume bonded indebtedness of former districts.

Between 1960 and 1969 the number of school districts in Indiana has been reduced by 69 percent.

Iowa: Between 1948 and 1968 the state of Iowa has experienced 90 percent reduction in the number of school districts. The greatest percentage of this reduction has occurred since 1956 when there were still almost 4,000 districts.

In 1957 significant legislation was passed requiring all county boards of education to initiate surveys and studies for the purpose of promoting reorganization. These studies, which were to be completed by July 1, 1958, seem to have stimulated reorganization activity as evidenced by a decrease to 2,022 districts by 1960. 899 of these districts were non-operating and 522 had only elementary schools.

In 1965 legislation was passed declaring that all areas of the state were to be in districts maintaining 12 grades by July 1, 1966. Built into this provision was an incentive feature which would, of course, deny aid to those districts not maintaining a 1-12 program. The full impact of this mandatory legislation can be seen by noting that by the fall of 1968 the number of districts had decreased to 458. Only seven non-operating and only one elementary district existed at that time. This was a combined reduction from 1964 for the non-operating and elementary only districts of 90 percent.

Maine: Comparatively speaking Maine has not had the tremendous number of school districts other states have had. In 1948, for example, there were only 500. Of these 500 however, only 121 operated a secondary school. In 1968, although 188 school districts are either non-operating or operate only elementary schools, the number of districts has been reduced by 30 percent.

In 1954 the Commissioner and State Board of Education were directed by the legislature to adjust the grouping of Supervisory Unions within the state into districts containing 35-75 teachers. A "No Loss" clause was provided and school committees in the affected units were involved in the planning of reorganized units.

The greatest amount of reorganization activity has occurred since 1957 when the legislature encouraged developments of sufficient size to provide equal opportunity and better tax rates. The State Board of Education was to develop a state plan for the creation of efficient school administrative districts. One of their responsibilities was to evaluate the impact of consolidation on valuation per pupil in the larger district and make definite recommendation with respect to an eventual uniform minimum tax rate toward the support of a foundation program of education if these larger districts were appropriately established throughout the state. This same year two provisions were included in legislation which provided financial incentives for reorganization. One provision

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provided that when administrative districts are reorganized, the state subsidy paid annually to each district shall be supplemented by an additional 10 percent of that amount if they provide a K-12 program and one secondary facility. The second feature provides state aid for school construction, school debts, and leases to encourage the formation of larger school districts. In addition, the 1957 law also provided a provision for the assumption of bonded indebtedness of former districts by the newly organized district which has been reported to encourage reorganization.

Michigan: Over the years of this study Michigan has had an 86 percent reduction in the number of school districts. Two periods of time stand out when extensive reorganization activity has taken place: 1956-1960 and 1964-1968.

Between 1956-1960 the total number of school districts was reduced by 40 percent. The 1955 legislature enacted several provisions pertaining to reorganization. These provisions were permissive in nature generally describing what type of districts could consolidate, rules and procedures for consolidation proceedings and elections, and procedures for transferring lands. As a feature of this legislation revisions were made in the provision for assumption of bonded indebtedness that has encouraged some type of districts to reorganize. Although the provisions lacked mandatory features, the number of districts did reduce itself from a 1956 total of 3,491 to a 1960 figure of 2,099.

Between 1964-1968 the total number of school districts was reduced by 53 percent. Responsibility for developing plans for improved school district organization became mandatory for each county in 1964. Reorganization studies were required suggesting ways to incorporate all non-high school districts into existent K-12 programs and also to combine effectively any existing small K-12 districts into units capable of offering a comprehensive educational program through the twelfth grade. As part of this legislation a "No Loss" feature became a part of the foundation aid program which has been judged to encourage reorganization.

Minnesota: In 1947 the legislature in an attempt to encourage school district reorganization established a State Wide Advisory Commission and county survey committees. The county committees were to study the school districts in unorganized territory of the county for the purpose of recommending desirable reorganization. The State Commission, in addition to formulating goals and procedures for public school reorganization, reviewed the recommendations of the county survey committees. County and state committee recommendations had to be approved by the voters of the district. In 1951 the legislature provided for the dissolution of some "closed" school districts.

After the passage of the 1947 and 1951 legislation the number of school districts declined rather rapidly. In 1948 there were 7,518 school districts in the state. By 1956 this number had dropped to 3,633 or over 50 percent. The number of non-operating districts dropped from 2,418 to 1,211 and the number of districts operating only elementary schools was decreased from 7,073 to 3,181.

The 1963 legislature enacted a statute bringing about the dissolution of most of the remaining non-operating districts in the state by July 1, 1965. By the fall of 1968 only eight closed school districts remained.

In 1967 mandatory legislation was enacted requiring that after July 1, 1971 all areas of the state must be included in an independent or special school district maintaining classified elementary and secondary schools, grades one through twelve.

By June of 1969 the number of school districts in the state had fallen below 1,000 for the first time.

Mississippi: In 1948 there were 4,120 school districts in the state of Mississippi, only 680 of which operated a secondary school. By 1968, this number had been reduced to 149, over 95 percent, all of which operate a K or 1-12 program. The greatest amount of reorganization activity took place between 1952 and 1960 where the total number of districts was reduced by 92 percent.

In 1953 the current measures for the alteration, consolidation, and abolition of school districts were established. The 1953 legislation was mandatory in the respect that all districts had to be reorganized by 1957 or lose state aid. The State Finance Commission played an authoritarian role in either approving or disapproving boundary changes but the local voters also could influence reorganization action by petition.

Incorporated in this 1953 legislation were a number of financial incentives all of which were evaluated by the state contact people as encouraging reorganization. Among the financial features were a satisfactory provision for the assumption of bonded debt, building aid for reorganized districts, a "No Loss" clause, and reward for certain minimum program standards.

Nebraska: Nebraska had 6,900 school districts in 1948. Since 1948 there has been a gradual reduction of some 68 percent in the total number of school districts. No legislation stands out as extremely significant in the state for its impact on reorganization.

In 1949 reorganization legislation was passed. This legislation was of a permissive nature and included only special education aids as a financial incentive. One of the main features of the act was the creation of state and county school district reorganization committees. County committees were required to consider reorganization procedures and plans submitted to them by the state committee but were not required to develop or adopt any of these plans. If the county committee decided to go along with the state committee's recommendations, the legislation established procedures for public hearings and elections.

In 1965, legislation was enacted to permit twenty-five percent of the legal voters of Class I or II schools to petition for the dissolution of their school district.

In 1968 of the 2,172 school districts reported, 429 were non-operating, 1,400 maintained only elementary schools, 19 maintained only secondary schools, and only 324 districts maintained both an elementary and secondary school.

New Hampshire: In 1947 legislation was passed in New Hampshire stating that a cooperative school district was entitled to the shares of aid to which the pupils attending the cooperative district would have entitled the pre-existing districts had they remained in the pre-existing districts. Although the act itself did not seem to stimulate immediate reorganization, this type of permissive legislation is in conjunction with financial incentive features has helped the state of New Hampshire to reduce the total number of school districts from 240 in 1948 to 183 in 1968. In this same period of time the number of districts operating only elementary schools has been reduced from 150 in 1948 to 5 in 1968.

In 1955 legislation was enacted that provided for state building aid for those cooperating districts formed from two or more districts from two or more towns.

The 1963 legislature directed the state board of education to prepare and publish a plan subdividing the state into suggested cooperative school districts. It also offered financial incentives to receiving and sending districts which undertook the obligation of an area school. This same legislature provided incentive aid to pre-existing districts which were willing to undertake the obligations of a cooperative district. Between 1964 and 1968 the number of school districts was reduced by 16 percent.

The 1967 legislature expanded upon the provision extending state building aid for those cooperative districts formed from two or more districts. Cooperative districts are entitled to an amount ranging from 40 percent to 55 percent of the annual principal payment depending on the number of pre-existing districts which have combined.

New York: The state of New York has reduced its number of school districts by 80 percent since 1948. The greatest part of this reorganization activity took place between 1948 when there were 4,609 districts, and 1960 when this number had been reduced to 1,340. Over 70 percent of the districts were eliminated during this time. A combination of legislative provisions was enacted starting in 1946 relating specifically to school district reorganization.

In 1946 a joint legislative committee on the state education system presented a master plan for the reorganization of school districts. This master plan was to guide the commissioner of education in laying out new central districts when voters of uncentralized areas expressed a desire for reorganization.

In 1948 the legislature passed the Intermediate District Law. Under this act, a sufficient group of central and union free districts could combine to provide to all of the schools of the area those kinds of educational services that the individual districts could not provide. At this time New York had 4,609 school districts, 3,829 of which operated only elementary schools.

1948 legislation provided minimum program standards for receiving state aid. Although this has not been strictly enforced, the initial enactment created a consciousness of the need for districts to provide a minimum program.

The 1952 and 1956 legislatures offered substantial financial incentives to encourage reorganization. A formula was devised for paying a bonus apportionment to each reorganized district in order to provide at the very least equivalent service to the districts as they existed before consolidation. Also, any central district which was organized was to receive an apportionment known as a building quota based on pupil enrollment.

The last major reorganization legislation passed in the state of New York was in 1965. It amended the education law to keep current the state plan for school district reorganization and adjusted appropriations accordingly. It limited the continuance of school districts not maintaining home schools. It also limited continuance of certain contract systems by a school district not maintaining home high schools. It also established a procedure for granting state aid for school building purposes to school districts scheduled for reorganization and granted additional aid to certain school districts after reorganization. Between 1964 and 1968 there was a 23 percent reduction in the number of school districts.

Oregon: In 1947 the Oregon Legislature passed legislation that brought about the dissolution of 252 non-operating school districts by legislative edict. In 1948 there were 1,363 school districts 1,113 of which operated only elementary districts. Between 1948 and 1968 the number of school districts was reduced by 73 percent.

In the period of time from 1952 to 1964 the number of districts was reduced from 995 to 424, a total of 57 percent. During this time different type of legislative activity took place.

The 1951 and the 1955 legislative sessions of the Oregon Legislature seriously considered the area of school district reorganization, but other than appropriating money for an extensive study of Oregon elementary and secondary education, little effective legislation was enacted.

By 1953 a number of financial features had become a part of the aid program for the first time. Minimum program standards, tuition payment for non-resident pupils, special education aid, and transportation aid were all present.

The 1957 legislature enacted the School District Reorganization Act. This legislation required that the school boards in each county elect a 9-member Reorganization Committee to study the school district organization within its county and to prepare and develop plans for the forming of adequate school districts within each county. The act was amended in 1959, 1961 and in 1963, but remains in basically its same form.

Under provisions of the Reorganization Act of 1957, 201 school districts have been dissolved between 1957 and the present time, and 98 new administrative school districts have been formed. In addition, during this same period of time, 226 school districts have been dissolved by voluntary consolidation procedures. As of June 30, 1969, Oregon has 356 school districts.

Pennsylvania: Pennsylvania had 2,540 school districts in the state in 1948. By 1968, 80 percent of these districts had been eliminated. This twenty year period can be broken down into two separate parts. A rather large segment of time, 1948 to 1960, witnessed a reduction of districts from 2,540 to 986, which is over 60 percent. A shorter segment of time, 1964 to 1968 also had a high percentage reduction of districts; from 1,005 in 1964 to 499 in 1968 which is a 50 percent decrease.

In 1949 legislation provided the basic foundation for the reorganization of schools. Reorganization procedures were more clearly defined and included provisions for the mandatory consolidation of ungraded, one room schools. As part of the legislative package in 1949 there existed a number of financial provisions: assumption of bonded indebtedness, a sparsity factor, financial favoritism to certain type districts,special education aid, distressed district aid, transportation aid, and financial premium for reorganized districts.

Supplemental payments were expanded upon in 1951 by extending $500 per teaching unit multiplied by the standard reimbursement fraction for joint elementary or secondary schools operated by districts and $800 per teaching unit multiplied by the standard reimbursement fraction for union and merged school districts. The number of school districts in the state had decreased to 1,432 in 1958.

The 1959 legislature increased the supplemental payment features. The bonus aid features of the 1949 legislation were redefined to encourage the formation of larger school districts (First Class A or Second Class).

In 1963 legislation was provided for consolidating and organizing to provide for vocational-technical education. It set forth a financial reimbursement for every resident pupil enrolled in an area-vocational school as well as other categories providing aid for curriculum improvement and school building costs. A "No Loss" provision became a feature of the aid program during this same year.

By the fall of 1968 the number of school districts had been decreased to 499, all of which operate unified districts. Legislation passed in this year repealed all supplemental payments of previous legislation and incorporated the various financial features into the basic state aid payment program.

South Carolina: The state of South Carolina has experienced one of the highest percentage reductions in the number of school districts in the nation. From 1948 to 1968 the percentage reduction was 94 percent; from a total of 1,680 in 1948 to 105 in 1968. During the twenty years covered by this study, the period between 1948 and 1956 saw the greatest amount of reorganization activity. A 94 percent decrease occurred during this time.

Legislation discussed during the late nineteen-forties and enacted in 1952 set up the general provisions for establishing school districts that exist in the state today. The legislation provided that alteration of boundaries or division of school districts within a county could only come about by an act of the General Assembly relating to one or more counties or authorization by the county boards. The 1952 code provides for the assumption of all assets and liabilities of the two or more districts forming a new district by the newly formed district on a justly proportioned bases.

Reorganization in the state was encouraged by the enactment in the same year of a 3% sales tax and the providing of school districts with funds for school construction and school bus transportation. The sales tax revenues go into a general fund from which state aid for school districts is drawn. At the time of the enactment of the sales tax the Educational Finance Commission was established to handle the building and transportation program with the mandate to implement the consolidation of school districts so far as practical.

Wisconsin: The state of Wisconsin had 6,038 school districts in 1948. By 1968 this number had been reduced by over 90 percent to a total of 488. Although the reduction has been fairly consistent since 1948, between the years 1960 and 1968 the number of districts decreased by 84 percent. During this time mandatory legislation, semipermissive legislation, and a financial incentive were enacted by the Wisconsin legislature.

In 1959 the legislature stated that any territory which is not included in a district which operates a high school on July 1, 1962 shall be attached to, created into, or consolidated with a district operating a high school. This act was replaced in 1965 when it had completed its purpose. Over 2,000 non-operating districts were eliminated in this period of time.

Agency school committees were created in 1966. These committees were given the power to reorganize school districts in each of the nineteen cooperative educational service agencies subject to the same referendum provision that applied to orders issued by the former county school committees.

In 1967 a "No Loss" clause was made a part of the foundation program. Although its initial impact was to encourage reorganization, the type of reorganization that was taking place was not considered to be solving the problem of small schools. (See discussion in this chapter on "No Loss" clause).

## Findings: Questions 4-6

The findings reported for these questions are drawn from the basic statistical data contained in Appendix E. Selected data have been tabulated in summary form for inclusion in this narrative presentation. Local school districts are catalogued by district type; i.e. non-operating, elementary, secondary, and unified according to the existing patterns in the respective sample states.

Question 4 - TO WHAT EXTENT HAS SCHOOL DISTRICT REORGANIZATION REDUCED VARIATIONS IN TAX-PAYING ABILITY AND EXPENDITURE PER PUPIL WITHIN STATES?

Using school district size as an estimate of school district organization the following general questions were formulated to aid in the presentation of findings. The summary data is shown in Table 4.1.

1. What is the relationship between school district size and assessed valuation per pupil in A.D.A.?

   a. In general the correlation is negative and tends to be fairly strong. Small size districts are associated with greater assessed valuation and lesser valuations associated with large size districts.
   b. Correlations between size and assessed valuation are negative for all elementary districts. Most of the correlations are strong. Elementary districts are characterized by small size and high assessed valuation. Only in California do we find relatively large elementary districts. The high negative value of the

correlation coefficient in this case would seem to indicate that large size seems to be related to low valuation per pupil.

c. With the exception of Wisconsin, secondary districts exhibit the same pattern as the elementary districts described in (b).
d. Unified districts in three states, California, Minnesota and New York present a correlation pattern indicating no relationship between district size and assessed valuation per pupil.
e. The remaining state correlation patterns for unified districts range from lightly positive to fairly strong negative. In general most of the unified district states correspond to the general statement listed in (a).
f. In general the unified districts seem to present a stronger equalization pattern than elementary, secondary, or non-operating districts.

Table 4.1
Summary Table of Correlation Coefficients
For Sixteen States (1967-68)
DISTRICT
size correlated with:

| State | District Type | Assessed Valuation Per Pupil | Expenditure/Per Pupil | | | |
|---|---|---|---|---|---|---|
| | | | Transportation Per Pupil | Current | Capital-Debt | Total |
| California | Elementary | -.58 | -.38 | -.31 | -.17 | -.31 |
| | Secondary | -.47 | -.52 | -.35 | .01 | -.27 |
| | Unified | .06 | -.39 | .09 | -.07 | .05 |
| Colorado | Unified | -.51 | -.63 | -.51 | -.15 | -.49 |
| Indiana | Elementary | -.07 | -.60 | -.08 | -.11 | -.04 |
| | Unified | .18 | .52 | .30 | .16 | .25 |
| Iowa | Unified | -.52 | -.69 | -.44 | -.12 | -.43 |
| Maine | Non-Operating | -.67 | -.45 | -.52 | .17 | -.49 |
| | Elementary | -.36 | -.37 | -.47 | .36 | -.41 |
| | Unified | .14 | -.27 | .05 | .31 | .08 |
| Michigan | Elementary | -.22 | .11 | .21 | .41 | .28 |
| | Unified | .16 | -.65 | .46 | .01 | .39 |
| Minnesota | Elementary | -.29 | -.03 | -.09 | .37 | .09 |
| | Unified | -.06 | -.65 | -.05 | .09 | -.01 |
| Mississippi | Unified | .41 | -.54 | .00 | .18 | .07 |
| Nebraska | Non-operating | -.47 | -.20 | -.30 | I | -.30 |
| | Elementary | -.52 | .21 | -.28 | I | -.28 |
| | Secondary | -.35 | .01 | -.71 | -.20 | -.51 |
| | Unified | -.30 | -.47 | -.44 | -.22 | -.35 |
| New Hampshire | Unified | -.18 | -.60 | -.10 | .43 | .29 |
| New York | Unified | .03 | -.45 | -.22 | .10 | -.17 |
| Oregon | Elementary | -.49 | -.38 | -.37 | I | -.37 |
| | Secondary | -.55 | -.64 | -.71 | I | -.71 |
| | Unified | -.27 | -.04 | -.54 | I | -.54 |
| Pennsylvania | Unified | .13 | -.38 | .26 | -.03 | .20 |
| South Carolina | Unified | .27 | -.39 | .14 | .27 | .26 |
| Utah | Unified | -.35 | -.63 | -.57 | -.02 | -.46 |
| Wisconsin | Elementary | -.15 | -.14 | .36 | .34 | .41 |
| | Secondary | .33 | .32 | .02 | .33 | .14 |
| | Unified | .30 | -.49 | .04 | .14 | .11 |

2. What is the relationship between school district size and expenditure per pupil in A.D.A.?

    a. Transportation expenditure correlate negatively with school district size. The coefficients are high in most instances. Small size is associated with higher transportation expenditure per pupil or small expenditures with larger size districts.
    b. One-half (15) of the school district patterns by type show correlations ranging from -.22 to -.57 on school district size and current expenditures per pupil. In these 15 cases higher expenditures are related to small size and large district size is associated with lesser expenditures.
    c. Ten of the district types from sample states are characterized by little or no relationship between district size and current expenditure per pupil levels.
    d. Positive correlations ranging from .21 to .46 were noted in five district types between school district size and current expenditure patterns.
    e. Data relating to capital and debt expenditures was not available for local districts from the sample states of Nebraska and Oregon.
    f. School district size and capital and debt expenditures per pupil were not related in six district types.
    g. In six cases district size and capital and debt expenditure correlations were positive and strong.
    h. Most of the negative correlations between school district size and debt expenditures were small.
    i. In six cases total expenditures per pupil were not related to school district size.
    j. Fifteen cases showed negative correlations between school district size and total expenditures per pupil. These negative correlations ranged from -.17 to -.71.
    k. Positive correlations (9 cases) for school district size and total expenditures per pupil ranged from .11 to .39.

3. What is the measurement of variation in per pupil expenditures?

The results of computations using the coefficient of variation as the statistical technique are shown in Table 4.2 and Table 4.3. Variations in expenditures per pupil for current purposes and for total expenditures are presented in terms of the percent of variation calculated. The coefficient of variation was used to measure the degree of equalization of expenditures. A large percent of variation in expenditures was associated with a low degree of equalization. A small amount of variation as calculated by the coefficient of variation was interpreted to indicate a high degree of equalization.

a. Non-operating school districts showed the largest range in total expenditure, 46.0 to 90.0.
b. Elementary districts registered from 19.4% to 70.3% variation in current expenditure.
c. Unified districts exhibited a smaller range than other district types, ranging from a low in South Carolina current expenditures of 11.4% to a high of 27.2% for Utah current expenditures.

d. The unified district type presents a greater degree of homogeneity in terms of equalization of expenditures than the non-operating, elementary and secondary district types.

Table 4.2
Measurement of Variation in Current Per Student
Expenditures (1967-68)

| State | District type | Mean Current Expenditure | Standard Deviation | Coefficient of Variation (%) | | | |
|---|---|---|---|---|---|---|---|
| | | | | Non-op | Elem. | Sec. | Unif. |
| California | Elementary | $617 | 335 | | 54.3 | | |
| | Secondary | 824 | 200 | | | 24.2 | |
| | Unified | 618 | 89 | | | | 14.4 |
| Colorado | Unified | 678 | 168 | | | | 24.8 |
| Indiana | Elementary | 444 | 86 | | 19.4 | | |
| | Unified | 493 | 57 | | | | 11.6 |
| Iowa | Unified | 637 | 97 | | | | 15.2 |
| Maine | Non-operating | 282 | 251 | 89.0 | | | |
| | Elementary | 450 | 163 | | 36.2 | | |
| | Unified | 456 | 68 | | | | 14.9 |
| Michigan | Elementary | 421 | 195 | | 46.3 | | |
| | Unified | 570 | 97 | | | | 17.1 |
| Minnesota | Elementary | 606 | 240 | | 39.6 | | |
| | Unified | 545 | 68 | | | | 12.5 |
| Mississippi | Unified | 340 | 49 | | | | 14.4 |
| Nebraska | Non-operating | 331 | 298 | 90.0 | | | |
| | Elementary | 599 | 390 | | 65.1 | | |
| | Secondary | 1211 | 382 | | | 31.5 | |
| | Unified | 631 | 145 | | | | 23.0 |
| New Hampshire | Unified | 527 | 91 | | | | 17.3 |
| New York | Unified | 1120 | 277 | | | | 24.7 |
| Oregon | Elementary | 808 | 568 | | 70.3 | | |
| | Secondary | 768 | 122 | | | 15.9 | |
| | Unified | 731 | 150 | | | | 20.5 |
| Pennsylvania | Unified | 607 | 92 | | | | 15.2 |
| South Carolina | Unified | 376 | 43 | | | | 11.4 |
| Utah | Unified | 580 | 158 | | | | 27.2 |
| Wisconsin | Elementary | 566 | 198 | | 35.0 | | |
| | Secondary | 785 | 151 | | | 19.2 | |
| | Unified | 616 | 96 | | | | 15.6 |

Table 4.3
Measurement of Variation in Total Per Student
Expenditures (1967-68)

| State | District type | Mean Total Expenditure | Standard Deviation | Coefficient of Variation (%)* | | | |
|---|---|---|---|---|---|---|---|
| | | | | Non-op | Elem. | Sec. | Unif. |
| California | Elementary | $698 | $425 | | 60.9 | | |
| | Secondary | 982 | 249 | | | 25.4 | |
| | Unified | 690 | 107 | | | | 15.5 |
| Colorado | Unified | 768 | 190 | | | | 24.7 |
| Indiana | Elementary | 675 | 247 | | 36.6 | | |
| | Unified | 651 | 150 | | | | 23.0 |
| Iowa | Unified | 664 | 104 | | | | 15.7 |
| Maine | Non-operating | 698 | 321 | 46.0 | | | |
| | Elementary | 718 | 245 | | 34.1 | | |
| | Unified | 514 | 86 | | | | 16.7 |
| Michigan | Elementary | 458 | 241 | | 52.6 | | |
| | Unified | 684 | 117 | | | | 17.1 |
| Minnesota | Elementary | 640 | 259 | | 40.5 | | |
| | Unified | 635 | 76 | | | | 12.0 |
| Mississippi | Unified | 370 | 63 | | | | 17.0 |
| Nebraska | Non-operating | 331 | 298 | 90.0 | | | |
| | Elementary | 626 | 418 | | 66.8 | | |
| | Secondary | 142 | 726 | | | 19.6 | |
| | Unified | 664 | 150 | | | | 22.6 |
| New Hampshire | Unified | 670 | 164 | | | | 24.5 |
| New York | Unified | 1231 | 314 | | | | 25.5 |
| Oregon | Elementary | 808 | 564 | | 70.3 | | |
| | Secondary | 768 | 122 | | | 15.9 | |
| | Unified | 731 | 150 | | | | 20.5 |
| Pennsylvania | Unified | 708 | 115 | | | | 16.2 |
| South Carolina | Unified | 438 | 78 | | | | 17.8 |
| Utah | Unified | 840 | 228 | | | | 27.1 |
| Wisconsin | Elementary | 632 | 237 | | 37.5 | | |
| | Secondary | 904 | 197 | | | 21.8 | |
| | Unified | 703 | 134 | | | | 19.1 |

*The coefficient of variation of a distribution is the ratio, expressed as a percentage of the standard deviation of the distribution to the mean of the distribution. The use of this statistic permits a comparison to be made among distribution.

4. As the final consideration of data relevant to Question 1 an expenditure model was developed and tested in a multiple regression analysis. The model is described as follows:

CURRENT EXPENDITURE = SCHOOL DISTRICT SIZE + ASSESSED VALUATION + CURRENT TAX RATE + FOUNDATION AID + TOTAL STATE AID

The hypothesis testing using this model was limited to the eleven states in the sample which contained unified district patterns.

Table 4.4

TABLE OF F RATIOS AND PROBABILITIES
FOR TESTING EXPENDITURE MODEL
IN SELECTED STATES WITH UNIFIED DISTRICTS

| STATE | TYPE | DISTRICT SIZE |
|---|---|---|
| Utah | Unified | F = 6.95<br>P = .01* |
| Colorado | Unified | F = 2.43<br>P = .12 |
| Mississippi | Unified | F = 2.44<br>P = .12 |
| Iowa | Unified | F = 1.05<br>P = .31 |
| South Carolina | Unified | F = .10<br>P = .75 |
| Minnesota | Unified | F = .43<br>P = .52 |
| Michigan | Unified | F = 1.69<br>P = .19 |
| California | Unified | F = .18<br>P = .67 |
| Indiana | Unified | F = 13.42<br>P = .00* |
| Wisconsin | Unified | F = .64<br>P = .57 |
| New York | Unified | F = 13.02<br>P = .00* |

* Null hypotheses rejected at .05 level

Table 4.4 reported the results of the F-tests for the school district size variable included in the expenditure model. F-ratios and the probability (P) associated with the F-statistic were reported for each test. Asterisks (*) were used to indicate rejection of the null hypothesis at the .05 significance level. In cases where the null hypotheses was rejected it was inferred that the variable of school district size was important in predicting current expenditure level.

HYPOTHESIS: THERE IS NO RELATIONSHIP BETWEEN CURRENT EXPENDITURE AND SCHOOL DISTRICT SIZE.

The null hypotheses relating current expenditure level to school district size is rejected in only three states, Utah, Indiana and New York. Relatively low probabilities are noted in two states, Colorado and Mississippi. School district size does not appear to be an important variable in predicting current expenditure level in unified school districts in the remaining six states.

Question 5 - HAS SCHOOL DISTRICT REORGANIZATION INTRODUCED GREATER STABILITY AND EQUITY INTO TAX STRUCTURES?

Because of the limitations on comparability of the tax data utilized in the study the summary data presented in Table 4.5 will be examined "within states" only. The most significant findings are as follows:

1. What is the relationship between school district size and total tax rate?
    a. In general high total tax rates are associated with larger districts and low tax rates with smaller districts. Fourteen cases are presented where correlations were positive and ranged from .22 to .73. Nine of these district types were elementary.
    b. Nine correlations ranging from -.05 to .10 indicated little relationship between district size and tax rates. Eight of these nine cases were for unified districts.
2. What is the relationship between school district size and current tax rates?
    a. In sixteen cases correlations were positive and ranged from .20 to .60. In general high current tax rates are associated with large size school districts and low current tax rates with small district size.
    b. Twelve district patterns indicated no relationship between district size and current tax rates. Ten of these twelve cases were unified school districts.
    c. In two cases negative correlations of small impact were noted.

Table 4.5
Summary Table of Correlation Coefficients
for Sixteen States (1967-68)

| State | District Type | District Size Correlated With: Total Tax Rate | Current Tax Rate | Total Effort* | Current Effort* |
|---|---|---|---|---|---|
| California | Elementary | .63 | .56 | .63 | .62 |
| | Secondary | .54 | .46 | .27 | .14 |
| | Unified | -.01 | .04 | -.01 | .03 |
| Colorado | Unified | .62 | .60 | .46 | .45 |
| Indiana | Elementary | .40 | .28 | .18 | .10 |
| | Unified | .05 | -.06 | .35 | .19 |
| Iowa | Unified | .31 | .22 | .33 | .33 |
| Maine | Non-Operating | .53 | .53 | .37 | -.45 |
| | Elementary | .32 | .25 | .20 | .07 |
| | Unified | .09 | .04 | .01 | .03 |
| Michigan | Elementary | .73 | .40 | .56 | .30 |
| | Unified | .47 | .43 | .24 | .44 |
| Minnesota | Elementary | .50 | .36 | .31 | .08 |
| | Unified | .10 | .07 | .11 | .04 |
| Mississippi | Unified | -.05 | .02 | -.25 | -.32 |
| Nebraska | Non-Operating | .08 | .08 | -.03 | -.03 |
| | Elementary | .49 | .42 | .39 | .42 |
| | Secondary | -.40 | .01 | -.34 | -.28 |
| | Unified | .22 | .06 | .08 | .07 |
| New Hampshire | Unified | .10 | -.15 | .30 | .19 |
| New York | Unified | .31 | .20 | .03 | -.09 |
| Oregon | Elementary | I | .47 | .47 | .47 |
| | Secondary | I | .30 | .30 | .31 |
| | Unified | I | -.04 | -.04 | -.04 |
| Pennsylvania | Unified | -.15 | .05 | -.15 | .05 |
| South Carolina | Unified | .06 | .04 | -.15 | .02 |
| Utah | Unified | .14 | .49 | .07 | .18 |
| Wisconsin | Elementary | .36 | .37 | .39 | .37 |
| | Secondary | -.14 | -.12 | -.39 | -.46 |
| | Unified | .02 | .07 | .00 | -.09 |

*For definition of effort see glossary of terms.

3. What is the relationship between school district size and total local effort?

   a. Total local effort was not associated with school district size in eight instances. 7 of these 8 cases were unified districts.
   b. Five negative correlations are shown ranging from -.15 to -.39.
   c. The balances of the cases, 17, showed positive correlations ranging from .11 to .63. All types of districts were represented in this distribution.

4. What is the relationship between school district size and current local effort?
    a. Fourteen cases indicated positive correlations ranging from .10 to .62. All types of district organizational patterns were included in this array.
    b. Twelve cases indicated no correlation between school district size and current local effort. Nine of these 12 were unified districts.
    c. In four instances correlations were negative and ranged from -.46 to -.28.

Question 6 - AT WHAT LEVEL OF STATE SUPPORT FOR EDUCATION DOES THE GREATEST AMOUNT OF SCHOOL DISTRICT REORGANIZATION TAKE PLACE?

This question is answered by pointing out the relationship between school district size and five indicators of state support program levels. The summary data by district type for the 16 sample states is illustrated in Table 4.6.

1. What is the relationship between school district size and foundation aid per student?
    a. In 10 instances no relationship was shown between district size and foundation and per student. Seven of these 10 were unified district types.
    b. Thirteen negative correlations were calculated ranging from -.54 to -.10. Nine of these 13 were for unified districts.
    c. Seven positive correlations were reported ranging from .10 to .45. One of the correlations, .10, was for unified districts.

2. What is the relationship between school district size and transportation aid?
    a. In most cases negative correlations were shown for transportation aid and school district size. The correlation coefficients ranged from -.67 to -.06.
    b. Data was not available on a local district basis in several cases. Several states do not provide a categorical aid for transportation. Therefore in several instances transportation aid was included in the basic foundation aid data.

3. What is the relationship between school district size and total current state aid?
    a. In 8 cases no correlation existed between school district size and current aid payments. Five of the 8 were unified districts.
    b. Fifteen of the correlations were negative and ranged from -.54 to -.10. Nine of these fifteen negative coefficients represented unified district types.
    c. Five positive correlation coefficients were calculated ranging from .32 to .48. These cases all were in the elementary and secondary district categories.

Table 4.6
Summary Table of Correlation Coefficients
For Sixteen States (1967-68)

Size correlated with:

| State | District Type | (Type of State Aid to Local Districts) | | | | |
|---|---|---|---|---|---|---|
| | | Foundation | Transportation | Current | Capital-Debt | Total |
| California | Elementary | -.06 | I | -.06 | I | -.05 |
| | Secondary | .32 | I | .32 | I | .31 |
| | Unified | .00 | I | .00 | I | .00 |
| Colorado | Unified | -.37 | -.61 | -.53 | I | -.51 |
| Indiana | Elementary | .11 | -.29 | .02 | .11 | .03 |
| | Unified | -.11 | -.53 | -.27 | .08 | -.20 |
| Iowa | Unified | -.03 | I | .03 | I | -.03 |
| Maine | Non-operating | .08 | I | .08 | I | .01 |
| | Elementary | -.30 | I | -.33 | -.05 | -.32 |
| | Unified | -.41 | I | -.42 | .39 | -.30 |
| Michigan | Elementary | .42 | -.06 | .37 | I | .37 |
| | Unified | -.04 | -.67 | -.16 | I | -.16 |
| Minnesota | Elementary | .37 | .10 | .34 | I | .33 |
| | Unified | .10 | -.65 | -.06 | I | .06 |
| Mississippi | Unified | -.50 | I | -.37 | .02 | -.40 |
| Nebraska | Non-operating | -.13 | I | -.13 | I | -.13 |
| | Elementary | -.54 | I | -.54 | I | -.54 |
| | Secondary | -.28 | I | -.28 | I | -.25 |
| | Unified | -.10 | -.11 | I | -.11 | -.11 |
| New Hampshire | Unified | -.14 | -.14 | I | .31 | -.04 |
| New York | Unified | -.10 | I | -.10 | I | -.17 |
| Oregon | Elementary | -.05 | -.36 | -.22 | I | -.25 |
| | Secondary | .01 | -.41 | -.32 | I | -.33 |
| | Unified | .03 | -.56 | -.13 | I | -.10 |
| Pennsylvania | Unified | .08 | I | .08 | I | .08 |
| South Carolina | Unified | .03 | -.09 | .04 | .22 | .08 |
| Utah | Unified | -.40 | -.62 | -.45 | I | -.40 |
| Wisconsin | Elementary | .42 | -.14 | .31 | I | .44 |
| | Secondary | .45 | .44 | .48 | I | .60 |
| | Unified | -.32 | -.54 | -.35 | I | -.33 |

4. What is the relationship between school district size and state aid for capital and debt purpose?

   a. Few states provided a categorical aid designated for capital-debt purposes.
   b. Correlations for three cases where such state aid was paid indicated no relationship.
   c. Four positive correlations were noted. The coefficients ranged from .11 to .39.

5. What is the relationship between school district size and total state aid?

   a. In nine cases no relationship was determined between school district size and total state aid.

b. Correlation coefficients for five district patterns were positive in value from .31 to .60.
c. In most cases total state aid correlated negatively with school district size ranging from -.11 to -.54. Ten of the cases represented unified district patterns.

Three models were developed for analysis of relationships between school district size and state support levels. Utilizing UMST Program 500 at the University of Minnesota Computer Center multiple linear regression techniques were used to calculate multiple correlation coefficients for the models. The program also calculated Beta weights to determine which predictor element in the model equations made the most contribution as a predictor of the criterion variable.

THE EQUATIONS FOR THE THREE MODELS TESTED ARE DESCRIBED BELOW:

MODEL 1: SCHOOL DISTRICT SIZE = ASSESSED VALUATION + TAX RATE + TOTAL EXPENDITURES + TOTAL STATE AID

MODEL 2: SCHOOL DISTRICT SIZE = ASSESSED VALUATION + TAX RATE + CURRENT EXPENDITURES + FOUNDATION AID

MODEL 3: TOTAL STATE AID = SCHOOL DISTRICT SIZE + ASSESSED VALUATION + TAX RATE + CURRENT EXPENDITURES

Table 4.7 reports the multiple correlation coefficients for the sixteen-state sample using the three models described above. For purposes of model development total state aid was considered a proxy measure for the state aid distribution system. Model 1 and Model 2 reflect approximately the same level of correlation for total expenditures and current expenditures with school district size. Model 3 developed a larger correlation coefficient in most cases than Models 1 or 2.

Based on the analysis and interpretation of the data on Tables 4.6 and 4.7 Model 3 was selected for hypothesis testing using Program Regran. The following hypotheses were developed and tested on a sample of eleven unified districts and two elementary district patterns:

HYPOTHESIS 1: THERE IS NO RELATIONSHIP BETWEEN SCHOOL DISTRICT SIZE AND THE TOTAL AMOUNT OF STATE AID PAID TO LOCAL SCHOOL DISTRICTS.

HYPOTHESIS 2: THERE IS NO RELATIONSHIP BETWEEN THE TOTAL TAX RATE AND THE TOTAL AMOUNT OF STATE AID PER PUPIL PAID TO SCHOOL DISTRICTS.

HYPOTHESIS 3: THERE IS NO RELATIONSHIP BETWEEN TOTAL STATE AID PAID TO LOCAL SCHOOL DISTRICTS AND CURRENT EXPENDITURES BY LOCAL SCHOOL DISTRICTS.

Table 4.7
Table of Multiple Correlation Coefficients

| State | Type | Model 1 | Model 2 | Model 3 |
|---|---|---|---|---|
| California | Elementary | .66 | .66 | .38 |
|  | Secondary | .52 | .51 | .63 |
|  | Unified | .20 | .21 | .93 |
| Colorado | Unified | .72 | .72 | .66 |
| Indiana | Elementary | .33 | .31 | .81 |
|  | Unified | .33 | .34 | .88 |
| Iowa | Unified | .54 | .54 | .62 |
| Maine | Non-Operating | .72 | .74 | .42 |
|  | Elementary | .64 | .64 | .74 |
|  | Unified | .42 | .46 | .82 |
| Michigan | Elementary | .61 | .56 | .63 |
|  | Unified | .49 | .53 | .95 |
| Minnesota | Elementary | .48 | .46 | .42 |
|  | Unified | .08 | .21 | .85 |
| Mississippi | Unified | .54 | .53 | .56 |
| Nebraska | Non-Operating | .52 | .52 | .65 |
|  | Elementary | .65 | .65 | .77 |
|  | Secondary | .85 | .81 | .69 |
|  | Unified | .41 | .46 | .46 |
| New Hampshire | Unified | .44 | .44 | .61 |
| New York | Unified | .35 | .38 | .90 |
| Oregon | Elementary | .55 | .54 | .84 |
|  | Secondary | .72 | .72 | .67 |
|  | Unified | .57 | .56 | .62 |
| Pennsylvania | Unified | .50 | .49 | .97 |
| South Carolina | Unified | .34 | .32 | .66 |
| Utah | Unified | .72 | .78 | .98 |
| Wisconsin | Elementary | .61 | .56 | .48 |
|  | Secondary | .68 | .66 | .72 |
|  | Unified | .38 | .38 | .93 |

Table 4.8 reports the results of the hypotheses testing using the multiple linear regression technique employed by Program Regran. The use of asterisks was employed to illustrate rejection of the null hypotheses at the .05 level. Where the null hypothesis statement was rejected it was interpreted to mean that the variable under consideration was important in predicting total state aid (state support level). Conversely, when the null hypothesis statement was not rejected it was considered that the variable under examination was not important in predicting total state aid.

The findings shown in Table 4.8 are described as follows:

1. In eleven of the thirteen state school district patterns the null hypothesis related to total state aid and current expenditures by the local school district were rejected. Only Mississippi unified and California unified school district patterns presented probability levels which were not acceptable at the .05 level. Current expenditure level of local school districts seems to be an important predictor of total state aid (state support) for both elementary and unified school districts.

Table 4.8
Table of F Ratios and Probabilities
for Testing Model 2

| State | Type | Size | Tax Rate | Current Expenditures |
|---|---|---|---|---|
| Utah | Unified | F = 16.82 | 3.15 | 424.73 |
| | | P = .0004* | .08 | .00* |
| Colorado | Unified | F = 2.83 | 5.27 | 15.09 |
| | | P = .09 | .02* | .0004* |
| Mississippi | Unified | F = 4.51 | 8.72 | 1.818 |
| | | P = .03* | .004* | .179 |
| Iowa | Unified | F = .066 | 2.47 | 26.19 |
| | | P = .79 | .11 | .00* |
| South Carolina | Unified | F = .004 | .056 | 30.26 |
| | | P = .94 | .81 | .00* |
| Minnesota | Unified | F = .06 | .007 | 5.28 |
| | | P = .80 | .93 | .02* |
| Michigan | Unified | F = 2.92 | 6.71 | 22.23 |
| | | P = .09 | .01* | .00* |
| California | Unified | F = 2.959 | 2.54 | .835 |
| | | P = .085 | .11 | .633 |
| Indiana | Unified | F = 3.164 | 4.60 | 7.29 |
| | | P = .075 | .30* | .008* |
| Wisconsin | Unified | F = 1.19 | 18.97 | 157.03 |
| | | P = .28 | .0001* | .00* |
| New York | Unified | F = 4.176 | 8.071 | 41.96 |
| | | P = .04* | .005* | .00* |
| California | Elementary | F = .042 | 3.464 | 9.537 |
| | | P = .8325 | .0616 | .002* |
| Minnesota | Elementary | F = 10.334 | .054 | 8.90 |
| | | P = .002* | .8118 | .003* |

* Null hypotheses rejected at .05 level.

2. The null hypotheses concerned with total state aid and tax rate of local school districts was rejected in six of the thirteen district patterns tested. Also the probability statements for 4 additional states were under .11. Tax rate would seem to be of some value as a predictor of total state aid in all district patterns tested except Minnesota elementary and unified districts and South Carolina unified districts.

3. School district size was an important variable in predicting total state aid in Utah, Mississippi and New York unified districts and in Minnesota elementary districts. The probability level was under .10 in unified districts in Colorado, Michigan, California, and Indiana. School district size would seem to have no predictive value in the remainder of the district patterns and clearly was the least powerful of the predictor variables in Model 3.

## SUMMARY

This chapter contained an analysis of data gathered by literature review, questionnaire, and interview. It covered legislation and financial factors in sixteen sample states in regard to relationships of state school aids to local school district organization.

To facilitate the presentation of the findings the analysis was directed toward response to six questions. A summary of the findings relevant to Questions 1, 2, and 3 follows:

1. Professional and Personnel Regulations
    a. In regard to Retirement, it was reported in ten states newly employed school teachers in the state were covered by the same program. Nine out of these ten responses indicated this had no effect on reorganization. One of the ten indicated it encouraged. Six of the responses indicated that retirement laws were different, with large metropolitan areas under a different program than the rest of the state. Each of the six responses indicated that this fact had no effect on reorganization.

    b. In regard to Tenure Laws, in only three of the sample states was it indicated that tenure laws were not uniform throughout the state and in each instance, the respondent indicated that this fact had no effect on reorganization. Two states, Mississippi and New Hampshire, have no state-wide tenure law. Eleven of the sixteen states reported having a state-wide tenure law, but in only three of these states, Colorado, Indiana, and Pennsylvania was it indicated that this fact encouraged school district reorganization.

2. Building Aid - Bonded Indebtedness
    a. Every sample state where reorganization has taken place had a provision where the bonded indebtedness of a former district may be assumed by a newly formed district. The responses from five states indicate that this feature encourages school district reorganization. Seven responses indicated that the provision has no effect. Two responses indicated the provision discouraged reorganization and one response indicated the provision both encourages and discourages.
        (1) The Michigan law was considered to both encourage and discourage reorganization depending on the circumstances of the individual case. There are variations as to how the assumption issue can be presented to the people and confusion sometimes results.
        (2) Minnesota and Mississippi provisions calling for the mandatory assumption of debt have discouraged reorganization.
        (3) Features in bonded debt assumption judged to encourage reorganization were: Colorado - optional procedures for presenting vote to public which don't hinge on the acceptance or rejection of the reorganization election; Maine - state assistance for debt retirement; New Hampshire - the cooperative school district assumed outstanding debts and obligations of the local district which pertain to property acquired by the cooperative district for its use;

Pennsylvania - debt remains with incurring district; and
South Carolina - mandatory assumption of debt coupled with incentive building aid.

b. It was reported in eight states that there was a provision granting special state aid on principal or interest incurred for debt from school building construction resulting from school district reorganization. In six out of eight states this provision encourages reorganization and in the other two where it is present, it is considered to have no effect. In no state having a building aid incentive was it considered to discourage reorganization.

3. Special Fiscal Program

a. In seven states having a fiscal feature providing state assistance to local school districts for paying non-resident tuition costs for their students attending another school district it was indicated that this provision discouraged school district reorganization. In no instance did a response from a state having this provision indicate that it encouraged reorganization and in only two, was it considered to have no effect.

b. It was reported in all sixteen states that state aid was available to local school districts for special education. The responses from fourteen of the states indicated that this specific aid has no impact on reorganization.

c. Nine of the sample states have a provision providing for special aid assistance for financially distressed districts.

(1) Michigan was the only one of the nine states in which the aid was rejected as discouraging reorganization. In this state, the aid formula provides financial assistance to districts that should be reorganizing but are able to exist independently with distressed aids.
(2) Four states have a distressed district aid but the responses indicate that it has no effect on reorganization.
(3) In the other four states where the aid is reported to exist, it is considered to encourage reorganization for four separate reasons: 1) Minnesota - protects viable districts in temporary trouble; 2) New York - minimum standards for receiving; 3) Pennsylvania - helps eliminate debts of districts wanting to reorganize; 4) Wisconsin - established minimum mill levy.

d. Only five of the sample states have a supplemental aid designed to specifically provide bonus money to reorganized districts. The California feature tends to both encourage and discourage reorganization because of features which threaten the loss of money once it is received and also a low dollar amount. Maine, New Hampshire, and New York have strong bonus features judged to encourage reorganization. Pennsylvania has a bonus aid feature encouraging reorganization of districts for vocational-technical education.

e. Transportation aid was reported as a part of the financial program of every state except New Hampshire. It was reported in nine states that transportation aid has definitely encouraged school district reorganization, in five states it has no effect, and in only one was it considered to hinder the process.

4. Foundation Aid Programs

a. Eight of the states have a specific feature or built in provision in their foundation aid program guarding against a newly formed school district receiving less money in foundation aid than the total amount of money that the districts would have received if they would have remained independent. It was reported in seven of these states that this feature encouraged school district reorganization. In the other, Wisconsin, the feature also had promoted reorganization, but of an undesirable kind.

b. It was reported in twelve states that minimum program standards were necessary for receiving state aid. In eight of these the feature had little or no effect on reorganization due to lack of enforcement and ways that the provisions could be circumvented. In the four states where the responses indicated the presence of program standards that were actually enforced, the feature was considered to encourage reorganization.

c. Eight of the sample states have provisions in their foundation program that specifically contain a correction factor for sparsely or densely populated areas. The results were inconclusive as to whether or not this factor encourages or discourages reorganization. In those instances where it discouraged, aid for sparse population was just enough to enable the small district to exist. Density aid for big cities in New York has prevented their reorganization with BOCES units.

d. In not one of the states sampled does there presently exist a specific provision designed to financially penalize or punish in some way districts not meeting some minimum size standards. Difference in aid payments do exist to a limited extent for different sizes or classes of districts, but no state specifically goes about the process of adopting measures punitive to small districts.

e. Only four states presently have a financial feature where benefits are based on size or classification. In one state, Indiana, it has no influence. In three states, Iowa, Minnesota and South Carolina, it is reported to discourage reorganization. In Iowa the program still provides money for small districts as it also does in South Carolina. Small districts in Minnesota have had a means to circumvent the law.

f. Pennsylvania had a law which was repealed in 1968 for it had "accomplished" its purpose which classified districts by population and then paid supplemental aid on the basis of classification size. It also encouraged reorganization by paying additional amounts when different mergers, or jointures took place.

g. Foundation features giving wealthy districts enough basic aid which allows them to operate on a lower tax rate, is reported to discourage reorganization with another district if this privileged position is jeopardized.

h. In Mississippi there is a built in incentive grant in the formula for determining equalization aids that provide for increased state aid on a graduated basis if local effort is increased because of reorganization.

5. Federal Legislation and Court Decisions

a. In three states, California, Mississippi, and South Carolina, federal court action and legislation pertaining to integration have affected reorganization

b. Federal and state programs requiring cooperation between districts have laid the groundwork for later consolidation.

6. Basic Legislation

a. Mandatory legislation providing for the dissolving of non-operating and/or ungraded one room schools has been an effective measure in accomplishing school district reorganization.

b. Each of the sample states had periods during the timespan 1948-1968 where there was more school district reorganization taking place than others. The findings of this study reveal the following factors as typical of what one may find during these periods of increased activity:

(1) State, regional, county, or local planning committees authorized by state legislatures to play a major role in encouraging school district reorganization;
(2) Studies or master plans being developed by public or private agencies recommending an appropriate organizational structure for local districts;
(3) The removal of restrictive voting and petitioning procedures for acting on reorganization;
(4) Legislation setting up the machinery for effecting reorganization supplemented by incentive aid features of either a special or foundation nature.

QUESTION 4

1. States with a small number of districts appear to have as much variation in per student valuation as states with a large number of districts. The variation is found in states which have adopted a single pattern of unified districts as well as states which have multiple organization schemes. It should be noted that states with the multiple organization schemes - non-operating, elementary, secondary and unified combinations - the disparity in amount of valuation per student tends to be greater than in states with the single plan of organization.

2. In general, small districts tend to have more valuation per student than do the larger districts. Small elementary districts dominate the pattern of negative correlation stated in this generalization.

3. State finance models should recognize that wealth is not equally distributed. While some forms of district organization patterns - such as unified districts - appear to provide a better distribution of wealth no pattern or number of districts is providing anything approaching an equitable distribution of wealth. Thus, it is imperative that the tax base of the local districts be combined through further reorganization or that finance models actually integrate an appropriate measure of wealth into the formula.

4. Analysis of current expenditures, Appendix E, Table 35, indicates substantial variation exists in expenditures. The variation exists at all levels of organization - non-operating, elementary, secondary and unified. It is as pronounced for low mean expenditure states as it is for states with high mean expenditures. States with fewer districts exhibit as much disparity as those with many districts.

5. In a predominance of cases the findings have shown that small size districts are spending more money for education than are large districts. This statement is supported by the number of negative correlation obtained between size and expenditures.

6. Using the expenditure model the null hypothesis stating that there was no relationship between expenditure and size of the district was tested. Size does not appear to be an important variable when predicting expenditures. This observation is supported by the fact that the null hypothesis was rejected for three cases out of the total of eleven models tested.

QUESTION 5

The response to this question has been summarized as a general answer to the four elements listed in the question.

1. High total tax rates tend to be associated with large districts. Low rates are associated with small districts. The same pattern was noted for current tax rates as for total tax rates. It was further noted that elementary districts dominated the pattern.

2. There were a significant number of instances where no relationship existed between total tax rates and size. Unified districts dominated this pattern. The same observation could be made for current tax rates.

3. Examination of the relationships between size and the effort index tended to fall in the same pattern as the observation reported for tax rates above.

4. Little evidence was gathered as a result of this study which would indicate that stability or equity have been achieved in tax structures. Wide variation is prevalent within states. In most cases size is the determinant of the tax rate - low rates tend to be associated with small district size. The variation in tax rates seems to be less in states with only unified districts, however, substantial variation still exits.

QUESTION 6

1. Foundation aid payments per student indicate a wide range of dollars are provided to local districts. Providing the aid formula is constructed to recognize difference in ability to pay on the part of the district,this pattern would be expected. (See table 37, Appendix E).

2. In ten of the cases studied no relationship existed between size and foundation aid. Seven of the ten cases were unified districts.

3. In nearly half of the cases size and foundation aid produced a negative correlation. In general, large districts received less aid per student than did small districts.

4. Transportation aid was inversely related to size. Small districts received more aid per pupil than did large districts.

5. The current aid pattern was similar to the pattern for foundation aid. One-half of the cases studied showed negative correlation. Again, large districts received less total current aid then did the smaller districts on a per pupil basis.

6. Capital and debt categorical aids are not generally paid to the states included in the study. In about one-half of the cases where aid was paid the large districts received more aid than did the smaller districts.

7. Observing total state aid paid to local districts the pattern was one of negative correlation as was found for foundation aid. This finding was expected since most of the state aid paid to local school districts was for foundation purposes. In general, large districts received small aid payments per student while small districts received large payments.

8. Hypotheses testing with the state aid model.

   Three null hypotheses were tested using the state aid model. The model was described as follows:

   TOTAL STATE AID = SIZE + VALUATION + TAX RATE + CURRENT EXPENDITURES

   The null hypotheses tested included the following:

   1. There is no relationship between size and the total amount of state aid paid on a per pupil basis to local school districts.
   2. There is no relationship between the total tax rate and the total amount of state aid per pupil paid to school districts.
   3. There is no relationship between the current expenditures per pupil and the total amount of state aid per pupil paid to local school districts.

   The following results were obtained:

   1. In eleven out of thirteen cases the null hypothesis related to expenditures was rejected. Current expenditure is an important variable in predicting the level of state aid.

2. In six out of the eleven cases the null hypothesis was rejected stating that no relationship existed between state aid and tax rates. Tax rate was an important variable for predicting the level of state aid for the six cases - it was not as important a variable in general as was current expenditures.
3. While size was an important variable in four cases it was least important in the general picture.

# CHAPTER V

## REGIONAL UNITS

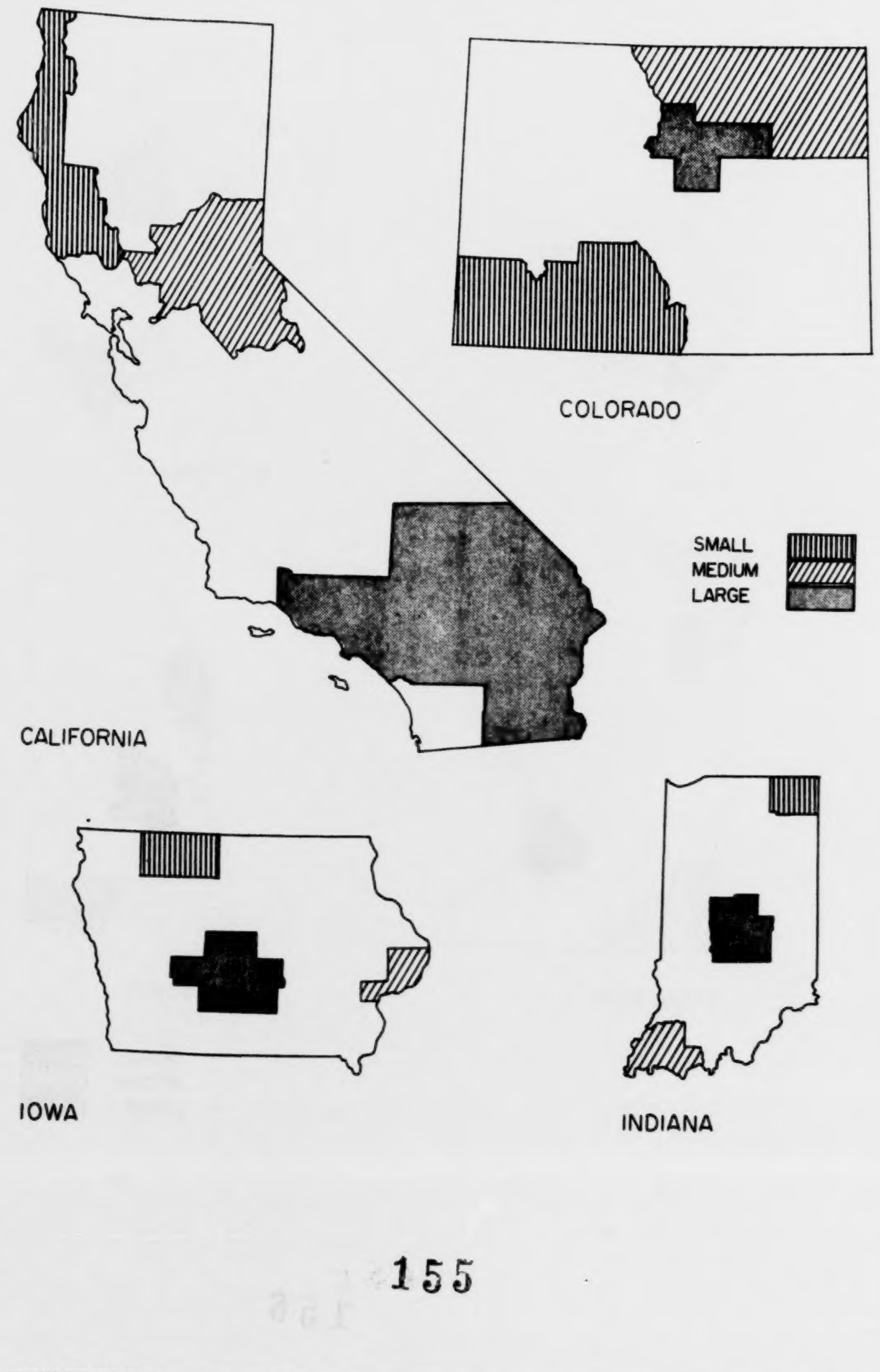
School district reorganization is defined in the introduction of Parts One and Two of this study as any legal restructuring of school units which include state delegated powers. While the combining of two or more local districts into a single administrative unit is the most common type of reorganization, other forms have begun to emerge in recent years. Several state legislatures have created intermediate or regional units and equipped them with the power to receive state and federal funds, enter into contracts with local school districts, and levy taxes. While a variety of factors are contributing to this movement, two are most obvious. Sparsity of population in large sections of the nation make it impractical for local operating units of reasonable geographical size to provide a full range of educational services for all youth of school age. To some extent this is a frank recognition of the limitations of school district reorganization of the traditional type. While the case for large local school districts is well documented in many places, including Chapter III of this volume, the evidence suggests that most reorganized school districts cannot satisfy the educational needs of all students. Still larger local districts would improve the situation in many cases. However, such expansion of school district boundaries eventually becomes dysfunctional, making local participation in school governance difficult in the extreme.

Problems besetting public education in metropolitan areas are also contributing to a renewed interest in regional approaches to education.

Like their counterparts in the rural areas, many suburban school districts cannot independently offer equal educational opportunities for all children. This is especially true in those metropolitan areas which have been fragmented into a large number of small districts. However, disparities in both educational needs and wealth and educational bureaucracies in large cities are the most important variables which are causing concerned citizens to examine other forms of school organization. The regional unit is viewed as a possible solution. It has the potential for preserving or restoring some measure of local control while mobilizing the resources of the entire region in support of education. Also, the transferring of all or a portion of the fiscal management of schools to a regional board would make it possible to effectively decentralize large city systems, placing responsibility for educational program decisions near the point where the service is delivered to students. A discussion of the actual operation of regional intermediate units in 32 states is to be found in Chapter III of Part I of the report of this study.

The implications of regional units for both rural and metropolitan areas are examined in this chapter. While it is clear that such units could be delegated the power to operate some programs, such as special education and vocational education, and enter into various contractual arrangements with local districts and private agencies, this study is limited to the equalizing effect of regional property taxes for education. Regional taxes are substituted for all or a portion of local taxes in all of the seven models which are described in this chapter.

SAMPLE REGIONS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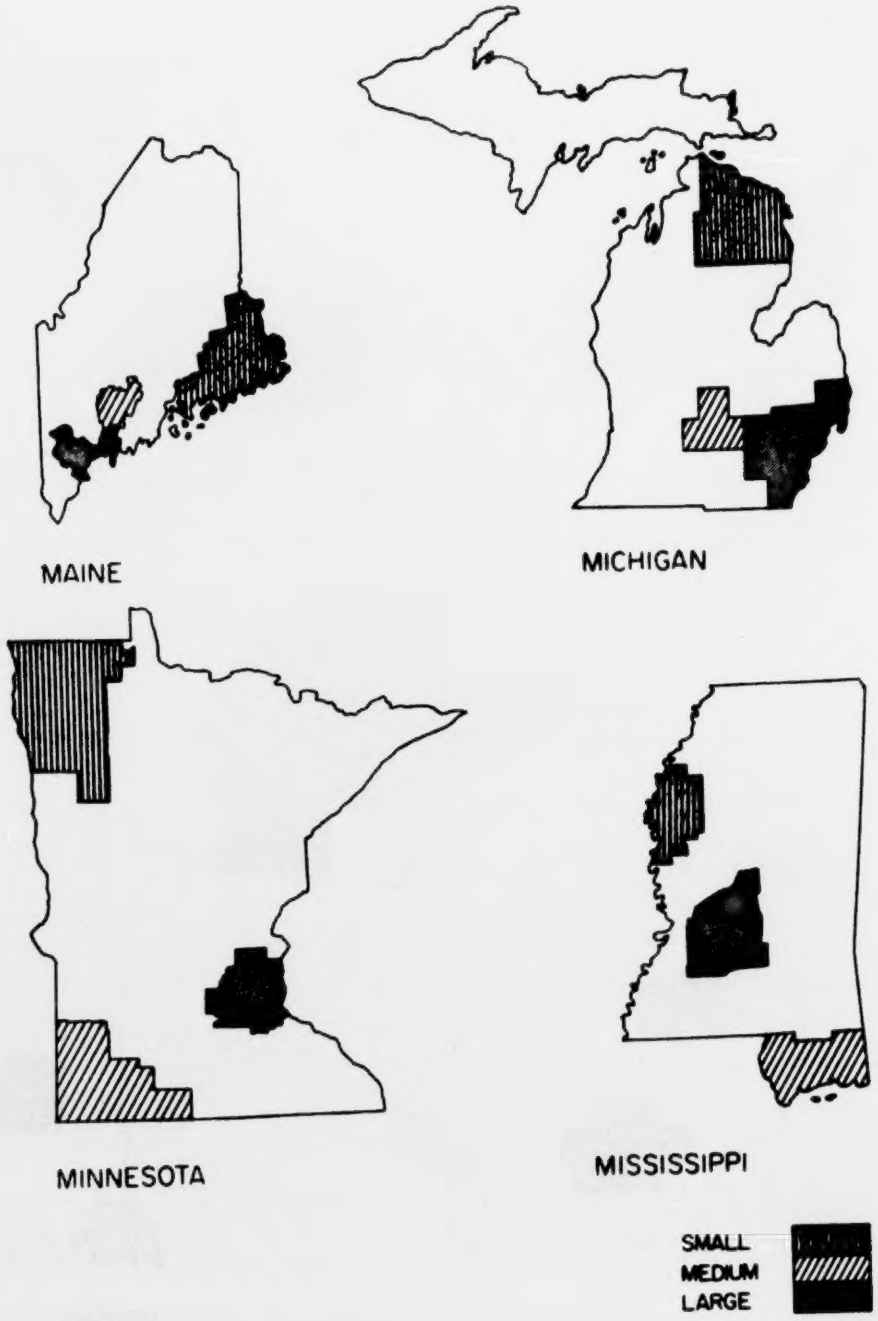
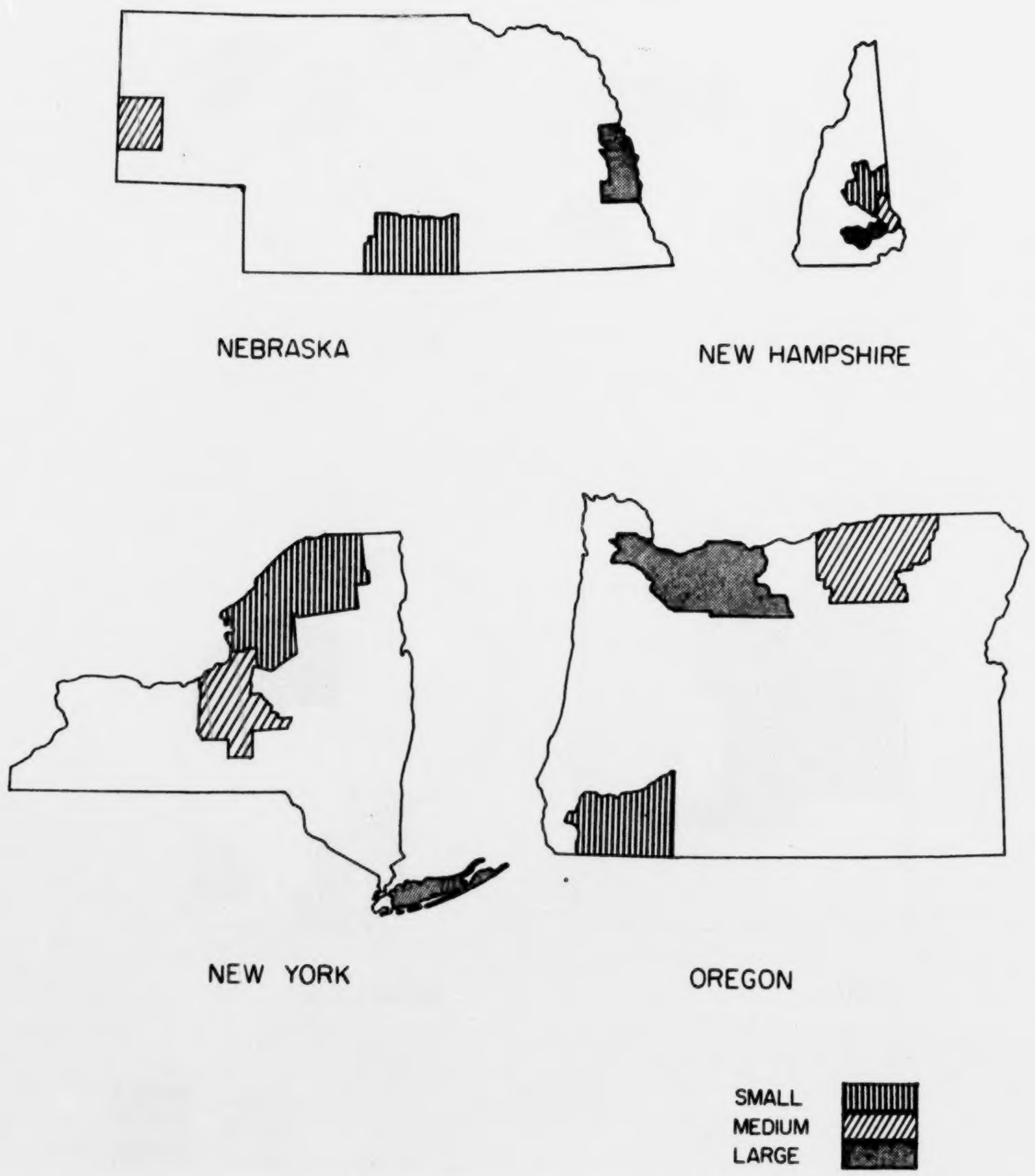
SMALL
MEDIUM
LARGE
CALIFORNIA
IOWA
INDIANA

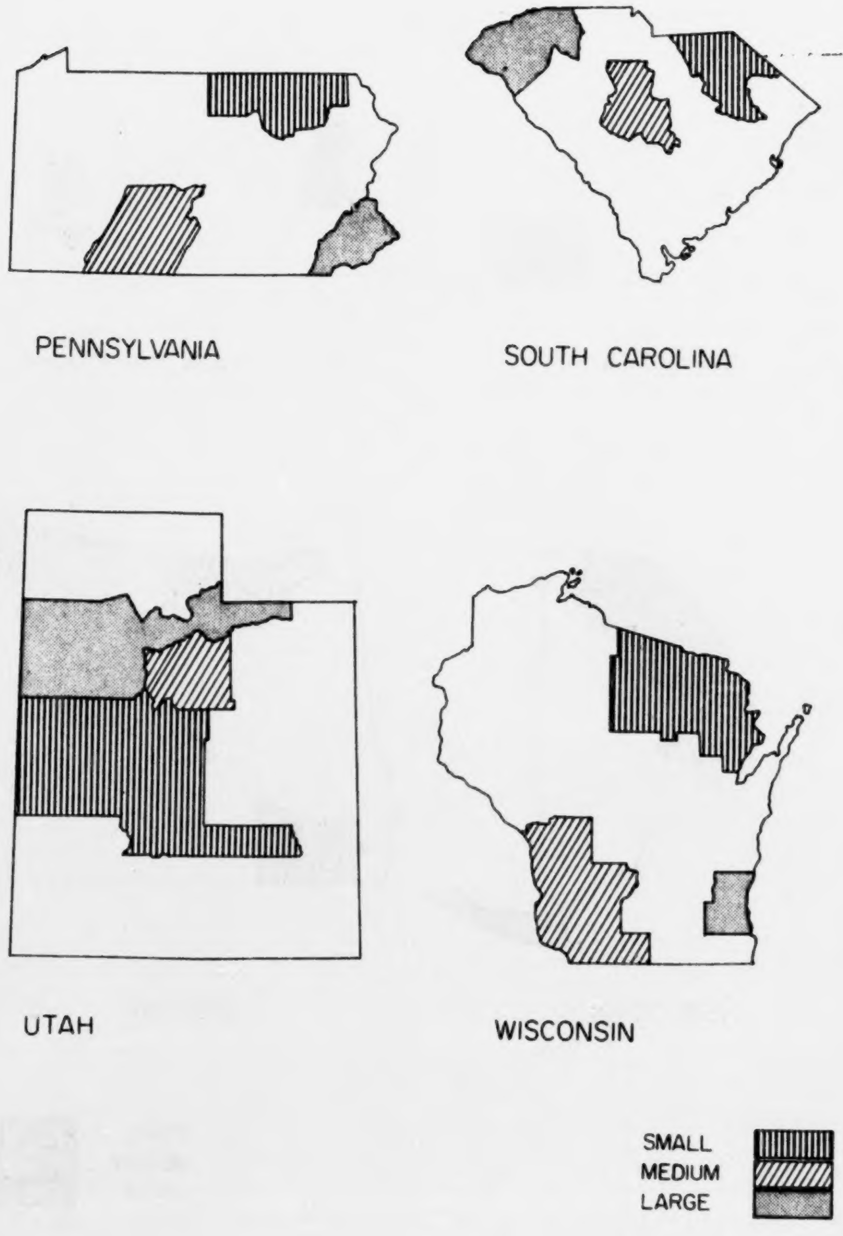
SAMPLE REGIONS


MAINE
MICHIGAN
MINNESOTA
MISSISSIPPI
SMALL
MEDIUM
LARGE

SAMPLE REGIONS


NEBRASKA
NEW HAMPSHIRE
NEW YORK
OREGON
SMALL ▥
MEDIUM ▨
LARGE ▩

SAMPLE REGIONS


PENNSYLVANIA
SOUTH CAROLINA
UTAH
WISCONSIN
SMALL
MEDIUM
LARGE

## THE SAMPLE

Sixteen states were selected as the sample for Special Study Number 11. The criteria for the identification of these states are reported in the Introduction to this volume. Additional criteria were developed to identify the population and select a sample of regions for analysis in this portion of the project. Consideration was first given to defining the population as consisting of all intermediate units in the nine states having such units and the economic planning units in the remaining seven states in the sample. This plan was discussed in interviews with administrators in the state education agencies in the sixteen states. Many of the administrators in states having intermediate units were of the opinion that such units are much too small and pointed to proposals to enlarge them. In several cases, they recommended the economic planning region as the most logical unit for study. The sample of regions was finally made from regional economic planning units in eleven states and intermediate or similar units in five states. The several regions in each state were placed in three groups according to the number of pupils enrolled. One region was selected from each group to secure geographic representation throughout the state. The largest region was selected in every state except New York where the region would have consisted of but one school district. The Long Island planning region was chosen in this case. The maps to be found in this chapter provide a visual representation of the regions included in the sample.

Characteristics of the sample are described in Tables 5.1 and 5.2. Perhaps the most striking observation about these tables is the enormous range in size of districts and regions, both between and within states. For example, Oregon has but five school districts in its smallest region, while Minnesota has 63. Similarily, the largest region in California contains 216 school districts, whereas Mississippi has only eight. The range in pupil population, as shown in Table 5.2 is even more impressive. Nebraska has one school district with two pupils and another with 57,272. The range in Michigan is from seven to 295,907; in California from eight to 643,128. Moreover, there is a surprising range in school district size within the large regions where the major cities are located. For instance, one district in the large region for California (Los Angeles SMSA) has but 20 students. Likewise, districts enrolling but 46, 52, 10, 3, 30, and 20 pupils are located near Denver, Detroit, Minneapolis, Omaha, Portland, Milwaukee, respectively. Designing a regional mechanism to harness the resources of this array of districts is complicated in the extreme. Indeed, this problem demonstrates the need for additional restructuring of local districts as a prerequisite to regional planning for public education.

Expenditure patterns in the 1966 school districts in the 48 regions are revealed in Table 5.3. Again, the picture is one of infinite variety. Discounting the extremes and, therefore, limiting the analysis to the tenth and ninetieth percentile, the variability in ten of the 48 regions exceeds two to one. The three regions in Colorado are examples. Clearly, the range of per pupil expenditures within regions exceeds the range between regions within the same states. In other words, most regions seem to have both high and low expenditure districts. The median expenditure between regions shows little variation in Indiana, Mississippi, South Carolina, and New Hampshire.

Table 5.1
The Number of Local Districts and the Pupil Population in
Each of the Three Regions Within the Sixteen States of the Sample

| State | Size of Region | Number of Local Districts | Pupil Population |
|---|---|---|---|
| California | Small | 56 | 46,148 |
| | Medium | 102 | 245,403 |
| | Large | 216 | 2,230,329 |
| Colorado | Small | 22 | 14,024 |
| | Medium | 27 | 30,108 |
| | Large | 19 | 259,189 |
| Indiana | Small | 12 | 22,963 |
| | Medium | 11 | 54,664 |
| | Large | 46 | 233,235 |
| Iowa | Small | 24 | 17,009 |
| | Medium | 14 | 46,989 |
| | Large | 58 | 111,578 |
| Maine | Small | 45 | 13,825 |
| | Medium | 19 | 21,809 |
| | Large | 26 | 51,454 |
| Michigan | Small | 35 | 33,049 |
| | Medium | 24 | 86,648 |
| | Large | 123 | 1,062,990 |
| Minnesota | Small | 63 | 22,962 |
| | Medium | 69 | 41,584 |
| | Large | 60 | 439,894 |
| Mississippi | Small | 13 | 43,163 |
| | Medium | 25 | 61,925 |
| | Large | 8 | 77,437 |
| Nebraska | Small | 45 | 8,369 |
| | Medium | 21 | 9,504 |
| | Large | 84 | 93,896 |
| New Hampshire | Small | 11 | 9,084 |
| | Medium | 11 | 12,095 |
| | Large | 14 | 22,500 |
| New York* | Small | 43 | 67,160 |
| | Medium | 52 | 168,778 |
| | Large | 118 | 571,162 |
| Oregon | Small | 5 | 10,429 |
| | Medium | 17 | 11,573 |
| | Large | 72 | 180,191 |
| Pennsylvania | Small | 19 | 38,191 |
| | Medium | 42 | 99,450 |
| | Large | 74 | 577,157 |
| South Carolina | Small | 16 | 61,766 |
| | Medium | 9 | 70,831 |
| | Large | 15 | 131,288 |
| Utah | Small | 8 | 10,059 |
| | Medium | 4 | 34,491 |
| | Large | 8 | 126,514 |
| Wisconsin | Small | 38 | 34,451 |
| | Medium | 56 | 69,604 |
| | Large | 67 | 276,488 |
| TOTAL | | 1966 | 7,963,410 |

*The New York City SMSA includes more than one economic planning unit.

Table 5.2
Range in Size of Pupil Populations Within the Forty-eight Regions

| State | Size of Region | ADA or ADM for 1967-68 | | | | |
|---|---|---|---|---|---|---|
| | | Low | 10 Percentile | Median | 90 Percentile | High |
| California | S | 8 | 23 | 371 | 2,325 | 5,937 |
| | M | 9 | 28 | 416 | 4,804 | 53,185 |
| | L | 20 | 260 | 4569 | 18,424 | 643,128 |
| Colorado | S | 16 | 58 | 404 | 2,303 | 2,692 |
| | M | 68 | 160 | 665 | 1,460 | 8,931 |
| | L | 46 | 118 | 6548 | 54,404 | 88,016 |
| Indiana | S | 717 | 758 | 1652 | 3,851 | 3,875 |
| | M | 317 | 1395 | 2223 | 5,975 | 31,218 |
| | L | 235 | 922 | 2262 | 8,348 | 97,573 |
| Iowa | S | 253 | 258 | 516 | 2,341 | 2,589 |
| | M | 348 | 353 | 1196 | 7,208 | 22,430 |
| | L | 278 | 344 | 735 | 2,884 | 46,033 |
| Maine | S | 9 | 19 | 145 | 879 | 1,701 |
| | M | 77 | 96 | 395 | 3,392 | 4,051 |
| | L | 34 | 175 | 1416 | 3,914 | 13,583 |
| Michigan | S | 7 | 14 | 317 | 2,772 | 8,079 |
| | M | 469 | 641 | 1896 | 5,097 | 32,184 |
| | L | 52 | 1198 | 4797 | 16,696 | 295,907 |
| Minnesota | S | 5 | 12 | 136 | 882 | 3,053 |
| | M | 5 | 14 | 371 | 1,719 | 3,656 |
| | L | 10 | 39 | 3135 | 13,742 | 76,314 |
| Mississippi | S | 1368 | 1491 | 2370 | 4,716 | 11,285 |
| | M | 1028 | 1692 | 3784 | 9,252 | 35,571 |
| | L | 3028 | | 4855 | | 35,572 |
| Nebraska | S | 2 | 11 | 46 | 406 | 1,510 |
| | M | 24 | 34 | 106 | 2,010 | 4,072 |
| | L | 3 | 10 | 19 | 1,435 | 57,272 |
| New Hampshire | S | 80 | 190 | 578 | 1,657 | 2,765 |
| | M | 72 | 173 | 437 | 3,108 | 3,808 |
| | L | 165 | 282 | 567 | 2,162 | 12,448 |
| New York | S | 279 | 418 | 1195 | 3,449 | 7,071 |
| | M | 227 | 727 | 1717 | 6,572 | 30,058 |
| | L* | 89 | 238 | 3843 | 10,989 | 19,518 |
| Oregon | S | 22 | | 2119 | | 4,291 |
| | M | 68 | 81 | 354 | 2,347 | 3,685 |
| | L | 30 | 70 | 599 | 4,343 | 72,066 |
| Pennsylvania | S | 1011 | 1077 | 1856 | 3,485 | 3,824 |
| | M | 92 | 706 | 1796 | 3,475 | 12,766 |
| | L | 197 | 774 | 4094 | 10,874 | 245,701 |
| South Carolina | S | 480 | 487 | 1850 | 13,485 | 13,953 |
| | M | 996 | 1139 | 4242 | 9,579 | 37,546 |
| | L | 1889 | 2099 | 3931 | 12,865 | 51,766 |
| Utah | S | 204 | 204 | 1064 | 2,973 | 2,973 |
| | M | 1807 | | 8490 | | 15,703 |
| | L | 415 | 415 | 6297 | 57,873 | 57,873 |
| Wisconsin | S | 54 | 76 | 569 | 3,086 | 3,872 |
| | M | 278 | 448 | 901 | 2,471 | 9,464 |
| | L | 20 | 71 | 1362 | 6,469 | 125,740 |

* The New York City SMSA includes more than one economic planning region.

Table 5.3
Range in Current Expenditures Per Pupil
Within the Forty-Eight Regions for 1967-1968

| State | Size of Region | Low | 10 Percentile | Medium | 90 Percentile | High |
|---|---|---|---|---|---|---|
| California | S | 375 | 423 | 594 | 987 | 1414 |
| | M | 324 | 404 | 543 | 895 | 1752 |
| | L | 409 | 464 | 585 | 814 | 1468 |
| Colorado | S | 350 | 380 | 677 | 1179 | 1881 |
| | M | 488 | 560 | 732 | 1196 | 1450 |
| | L | 469 | 486 | 590 | 1080 | 1274 |
| Indiana | S | 437 | 452 | 516 | 580 | 595 |
| | M | 413 | 442 | 493 | 561 | 611 |
| | L | 293 | 408 | 494 | 573 | 698 |
| Iowa | S | 516 | 615 | 733 | 848 | 855 |
| | M | 506 | 539 | 623 | 787 | 845 |
| | L | 501 | 542 | 635 | 773 | 937 |
| Maine | S | 211 | 306 | 441 | 667 | 1043 |
| | M | 302 | 311 | 424 | 457 | 472 |
| | L | 376 | 404 | 469 | 587 | 794 |
| Michigan | S | 215 | 244 | 514 | 676 | 862 |
| | M | 444 | 455 | 492 | 711 | 737 |
| | L | 220 | 485 | 588 | 733 | 1392 |
| Minnesota | S | 347 | 418 | 536 | 766 | 1189 |
| | M | 327 | 439 | 557 | 726 | 2010 |
| | L | 405 | 469 | 551 | 634 | 1031 |
| Mississippi | S | 269 | 294 | 362 | 405 | 412 |
| | M | 265 | 270 | 318 | 423 | 481 |
| | L | 265 | 265 | 280 | 386 | 386 |
| Nebraska | S | 380 | 478 | 700 | 945 | 4210 |
| | M | 326 | 437 | 524 | 725 | 928 |
| | L | 248 | 352 | 482 | 685 | 1915 |
| New Hampshire | S | 443 | 475 | 604 | 633 | 675 |
| | M | 397 | 402 | 453 | 554 | 627 |
| | L | 402 | 427 | 471 | 583 | 590 |
| New York | S | 669 | 858 | 972 | 1129 | 1653 |
| | M | 638 | 813 | 950 | 1100 | 1570 |
| | L | 844 | 992 | 1197 | 1788 | 2707 |
| Oregon | S | 629 | — | 743 | — | 1441 |
| | M | 561 | 603 | 709 | 1024 | 1328 |
| | L | 418 | 483 | 605 | 830 | 1157 |
| Pennsylvania | S | 546 | 552 | 613 | 692 | 718 |
| | M | 435 | 504 | 561 | 642 | 681 |
| | L | 386 | 582 | 652 | 839 | 1031 |
| South Carolina | S | 321 | 334 | 366 | 413 | 470 |
| | M | 328 | 328 | 378 | 447 | 447 |
| | L | 327 | 359 | 386 | 416 | 466 |
| Utah | S | 497 | 497 | 599 | 1135 | 1135 |
| | M | 457 | — | 487 | — | 497 |
| | L | 449 | 449 | 520 | 581 | 581 |
| Wisconsin | S | 338 | 445 | 570 | 765 | 959 |
| | M | 408 | 512 | 593 | 683 | 819 |
| | L | 236 | 449 | 660 | 879 | 1187 |

Since the property tax is the principal producer of revenue for public school operations, an analysis of the tax base in the districts within the forty-eight regions is useful. In fact, the disparities in ability to support public education is the primary variable which is examined in the seven models in this chapter. Some of the basic data for this analysis are shown in Table 5.4. The relationship of assessed value to market value is of no particular concern here. The reported figures for each state were used on the assumption that practices within states are somewhat uniform. However, states differ markedly in assessment practices. Therefore, the data in Table 5.4 should not be used for making comparisons between states.

Again, comparisons within states at the tenth and ninetieth percentiles seem to be most valid. Thus eliminating the extremes, the situation is still one of great disparity. In forty-four of the forty-eight regions the district at the ninetieth percentile has at least twice as much wealth behind each pupil as the district at the tenth percentile. The median ratio between the tenth and nintieth percentile is approximately four to one.

The tax rates for current expense are shown in Table 5.5. A comparison of the spread between the district reported for the tenth percentile and the district for the ninetieth percentile in each region shows that a wide variation exists. The spread in twenty-seven regions is more than two-to-one and in fifteen regions the ratio is three-to-one. These observations raise potential legal questions akin to the "equal opportunity" suits now popular in several states. In this instance the question here pertains to unequal application of a state tax. Since courts uniformly hold that school taxes are state taxes, regardless of the locus of collection or levy, one can argue that such taxes must be uniform on all subjects similarily situated. This question has never been tested in the courts, but the data in Table 5.5 suggests that it may be worth asking.

Table 5.6 is a summation and slightly different treatment of the data which is reported in Tables 5.3, 5.4, and 5.5. A comparison of data was made between the districts at the tenth and ninetieth percentiles in each of the forty-eight regions. The range of ratios was greatest for valuation per pupil and smallest for current expenditure. The medians of the ratios are shown at the bottom of the table.

## Models Tested

The data presented earlier in this chapter demonstrates the problem of offering equal educational opportunities to all students. Educational needs and wealth are not distributed uniformly. Even Herculean efforts by taxpayers in some districts simply will not compensate for the differences in ability to support schools. Moreover, further expansion of local school districts is but a partial solution. Large sections within states are often plagued by relative poverty. The tax potential of multi-county regions and the entire state are needed to achieve equalization.

This section examines seven different approaches to achieving varying degrees of equalization in the 1966 school districts in the forty-eight regions which are included in this study. The first four models test the impact of transferring all or a portion of the local tax levy to the region. Each district, regardless of its level of expenditure, would be permitted to shift a fixed percent of its levy to the region where a uniform tax on all

Table 5.4
Range in Assessed Valuation Per Pupil
Within the Forty-eight Regions for 1967-68

| State | Size of Region | Low | 10 Percentile | Median | 90 Percentile | High |
|---|---|---|---|---|---|---|
| California | S | $2,943 | $ 5,848 | $17,923 | $73,667 | $205,933 |
| | M | 2,356 | 8,012 | 17,301 | 55,714 | 229,304 |
| | L | 2,322 | 5,939 | 13,708 | 50,445 | 176,895 |
| Colorado | S | 4,223 | 4,447 | 10,019 | 27,877 | 88,956 |
| | M | 5,887 | 7,985 | 15,189 | 38,448 | 78,497 |
| | L | 4,299 | 4,681 | 8,616 | 22,296 | 32,099 |
| Indiana | S | 5,766 | 7,263 | 9,391 | 12,472 | 13,978 |
| | M | 6,001 | 6,831 | 9,529 | 11,671 | 16,398 |
| | L | 4,840 | 5,520 | 7,797 | 10,374 | 15,362 |
| Iowa | S | 7,024 | 9,542 | 14,620 | 19,248 | 23,926 |
| | M | 6,808 | 7,407 | 9,290 | 14,066 | 27,023 |
| | L | 4,860 | 6,746 | 9,566 | 14,890 | 17,756 |
| Maine | S | 4,238 | 5,909 | 11,382 | 29,966 | 41,885 |
| | M | 4,824 | 6,135 | 9,537 | 15,508 | 21,622 |
| | L | 4,629 | 7,292 | 11,495 | 21,105 | 45,451 |
| Michigan | S | 7,885 | 10,228 | 14,910 | 25,926 | 41,927 |
| | M | 5,860 | 6,117 | 8,577 | 20,567 | 22,289 |
| | L | 5,260 | 8,088 | 12,249 | 23,589 | 83,940 |
| Minnesota | S | 3,188 | 4,356 | 8,331 | 26,759 | 98,400 |
| | M | 6,612 | 8,016 | 12,692 | 34,714 | 212,909 |
| | L | 2,076 | 3,848 | 6,775 | 27,381 | 137,600 |
| Mississippi | S | 1,719 | 3,069 | 3,986 | 6,582 | 6,601 |
| | M | 2,523 | 2,680 | 3,948 | 10,008 | 11,971 |
| | L | 2,868 | 2,868 | 3,378 | 11,970 | 11,970 |
| Nebraska | S | 7,938 | 10,176 | 27,068 | 66,511 | 177,000 |
| | M | 7,091 | 7,586 | 19,536 | 39,059 | 49,466 |
| | L | 3,641 | 8,688 | 24,719 | 56,083 | 158,846 |
| New Hampshire | S | 24,760 | 27,411 | 61,149 | 93,707 | 110,075 |
| | M | 17,927 | 24,360 | 29,421 | 40,559 | 49,846 |
| | L | 16,268 | 21,439 | 27,611 | 39,357 | 40,090 |
| New York | S | 4,755 | 6,276 | 12,486 | 28,033 | 64,838 |
| | M | 5,724 | 8,292 | 13,648 | 29,794 | 51,885 |
| | L | 12,136 | 17,332 | 30,616 | 74,947 | 161,174 |
| Oregon | S | 26,696 | | 67,039 | | 186,318 |
| | M | 20,498 | 21,269 | 40,776 | 89,566 | 208,893 |
| | L | 12,035 | 15,106 | 28,892 | 68,144 | 127,424 |
| Pennsylvania | S | 6,541 | 7,269 | 8,456 | 12,319 | 12,651 |
| | M | 5,716 | 6,606 | 10,242 | 16,381 | 24,572 |
| | L | 13,219 | 14,872 | 24,039 | 43,115 | 92,178 |
| South Carolina | S | 769 | 777 | 924 | 1,631 | 1,649 |
| | M | 1,071 | 1,071 | 1,465 | 5,469 | 5,469 |
| | L | 1,248 | 1,349 | 1,818 | 2,567 | 2,813 |
| Utah | S | 3,466 | 3,466 | 6,117 | 9,363 | 9,363 |
| | M | 4,154 | | 5,203 | | 5,890 |
| | L | 3,638 | 3,638 | 8,114 | 11,198 | 11,198 |
| Wisconsin | S | 12,264 | 17,410 | 27,520 | 201,610 | 225,880 |
| | M | 12,071 | 14,469 | 21,524 | 29,348 | 43,838 |
| | L | 3,169 | 21,572 | 34,476 | 79,447 | 168,275 |

Table 5.5
Range in Current Expenditure Tax Rates Within the Forty-Eight Regions
for 1967-1968

| State | Size of Region | Low | 10 Percentile | Median | 90 Percentile | High |
|---|---|---|---|---|---|---|
| California | S | 10.0 | 12.8 | 17.3 | 31.1 | 38.3 |
|  | M | 10.1 | 13.2 | 18.4 | 32.2 | 44.8 |
|  | L | 8.8 | 16.7 | 22.5 | 39.8 | 49.9 |
| Colorado | S | 9.5 | 10.0 | 24.1 | 31.8 | 37.0 |
|  | M | 10.0 | 18.0 | 26.5 | 34.2 | 40.6 |
|  | L | 19.3 | 23.8 | 40.2 | 47.0 | 47.0 |
| Indiana | S | 36.9 | 36.9 | 42.1 | 49.8 | 51.6 |
|  | M | 22.0 | 25.2 | 35.5 | 41.2 | 46.9 |
|  | L | 27.6 | 33.1 | 40.9 | 48.3 | 53.0 |
| Iowa | S | 30.0 | 30.4 | 38.0 | 49.7 | 53.2 |
|  | M | 38.3 | 40.1 | 47.9 | 56.4 | 58.9 |
|  | L | 34.9 | 38.7 | 47.6 | 57.8 | 80.1 |
| Maine | S | 9.3 | 14.5 | 24.7 | 35.7 | 44.4 |
|  | M | 19.7 | 22.8 | 26.4 | 37.1 | 38.3 |
|  | L | 12.1 | 19.0 | 30.0 | 35.7 | 39.8 |
| Michigan | S | 4.0 | 7.5 | 10.0 | 14.9 | 16.0 |
|  | M | 5.2 | 5.3 | 10.2 | 23.5 | 23.6 |
|  | L | 2.8 | 8.8 | 16.1 | 22.8 | 29.3 |
| Minnesota | S | 13.0 | 39.0 | 87.0 | 134.0 | 165.0 |
|  | M | 5.0 | 29.0 | 92.0 | 110.0 | 121.0 |
|  | L | 9.0 | 26.0 | 108.5 | 147.0 | 193.0 |
| Mississippi | S | 18.0 | 18.9 | 28.0 | 31.0 | 31.5 |
|  | M | 23.0 | 23.2 | 25.0 | 28.0 | 32.0 |
|  | L | 23.0 | 23.0 | 25.0 | 28.0 | 28.0 |
| Nebraska | S | 6.2 | 14.4 | 28.7 | 45.7 | 56.7 |
|  | M | 15.0 | 16.0 | 27.6 | 62.3 | 71.9 |
|  | L | 10.9 | 17.6 | 25.3 | 44.7 | 66.6 |
| New Hampshire | S | 7.1 | 7.8 | 11.8 | 17.0 | 19.1 |
|  | M | 4.4 | 7.9 | 16.8 | 22.0 | 22.3 |
|  | L | 3.3 | 5.0 | 16.2 | 19.0 | 19.4 |
| New York | S | 14.5 | 32.8 | 99.5 | 163.3 | 198.0 |
|  | M | 21.8 | 44.9 | 97.2 | 176.9 | 215.8 |
|  | L | 35.6 | 93.3 | 157.6 | 194.6 | 353.5 |
| Oregon | S | 6.0 |  | 8.8 |  | 15.9 |
|  | M | 5.4 | 7.4 | 13.3 | 22.4 | 24.8 |
|  | L | 6.2 | 8.2 | 14.6 | 21.0 | 31.3 |
| Pennsylvania | S | 9.0 | 9.9 | 14.3 | 18.5 | 20.4 |
|  | M | 5.0 | 5.7 | 12.7 | 17.3 | 20.1 |
|  | L | 3.9 | 12.5 | 17.2 | 21.4 | 56.0 |
| South Carolina | S | 44.0 | 45.0 | 57.0 | 74.0 | 79.0 |
|  | M | 38.0 | 38.0 | 52.0 | 63.5 | 63.5 |
|  | L | 42.5 | 47.0 | 66.0 | 77.5 | 81.0 |
| Utah | S | 43.6 | 43.6 | 49.3 | 52.6 | 52.6 |
|  | M | 49.8 |  | 53.9 |  | 54.3 |
|  | L | 44.3 | 44.3 | 51.0 | 59.0 | 59.0 |
| Wisconsin | S | 1.9 | 3.4 | 12.9 | 16.6 | 17.0 |
|  | M | 10.5 | 12.7 | 15.1 | 17.0 | 17.0 |
|  | L | 0 | 7.4 | 14.7 | 17.0 | 17.9 |

Table 5.6
Ratio Between the District at the Tenth Percentile and the District of the Ninetieth Percentile Within Each Region on Selected Criteria

| State | Size of Region | Current Expenditures Per Pupil | Current Expenditures Tax Rate | Assessed Valuation Per Pupil |
|---|---|---|---|---|
| California | S | 1 to 2.3 | 1 to 2.4 | 1 to 12.6 |
| | M | 1 : 2.3 | 1 : 2.4 | 1 : 7.0 |
| | L | 1 : 1.8 | 1 : 2.4 | 1 : 8.5 |
| Colorado | S | 1 : 3.1 | 1 : 3.2 | 1 : 6.3 |
| | M | 1 : 2.1 | 1 : 1.9 | 1 : 4.8 |
| | L | 1 : 2.2 | 1 : 1.2 | 1 : 4.8 |
| Indiana | S | 1 : 1.4 | 1 : 1.3 | 1 : 2.4 |
| | M | 1 : 1.5 | 1 : 2.1 | 1 : 2.7 |
| | L | 1 : 1.4 | 1 : 1.5 | 1 : 1.9 |
| Iowa | S | 1 : 1.4 | 1 : 1.6 | 1 : 2.0 |
| | M | 1 : 1.7 | 1 : 1.4 | 1 : 4.0 |
| | L | 1 : 1.4 | 1 : 1.5 | 1 : 2.2 |
| Maine | S | 1 : 2.2 | 1 : 2.5 | 1 : 5.1 |
| | M | 1 : 1.5 | 1 : 1.6 | 1 : 2.5 |
| | L | 1 : 1.5 | 1 : 1.9 | 1 : 2.9 |
| Michigan | S | 1 : 2.8 | 1 : 2.0 | 1 : 2.5 |
| | M | 1 : 1.6 | 1 : 4.4 | 1 : 3.4 |
| | L | 1 : 1.5 | 1 : 2.6 | 1 : 2.9 |
| Minnesota | S | 1 : 1.8 | 1 : 3.4 | 1 : 6.1 |
| | M | 1 : 1.7 | 1 : 3.7 | 1 : 4.3 |
| | L | 1 : 1.4 | 1 : 5.7 | 1 : 7.1 |
| Mississippi | S | 1 : 1.5 | 1 : 1.6 | 1 : 3.8 |
| | M | 1 : 1.6 | 1 : 1.2 | 1 : 3.7 |
| | L | 1 : 1.5 | 1 : 1.2 | 1 : 4.2 |
| Nebraska | S | 1 : 2.0 | 1 : 3.2 | 1 : 6.5 |
| | M | 1 : 1.7 | 1 : 3.9 | 1 : 5.1 |
| | L | 1 : 1.9 | 1 : 2.5 | 1 : 6.5 |
| New Hampshire | S | 1 : 1.5 | 1 : 2.7 | 1 : 4.4 |
| | M | 1 : 1.6 | 1 : 5.1 | 1 : 2.8 |
| | L | 1 : 1.5 | 1 : 5.9 | 1 : 2.5 |
| New York | S | 1 : 1.3 | 1 : 5.0 | 1 : 4.5 |
| | M | 1 : 1.4 | 1 : 3.9 | 1 : 3.6 |
| | L | 1 : 1.8 | 1 : 2.1 | 1 : 4.3 |
| Oregon | S | 1 : 2.3 | 1 : 2.7 | 1 : 7.0 |
| | M | 1 : 1.7 | 1 : 3.0 | 1 : 4.2 |
| | L | 1 : 1.7 | 1 : 2.5 | 1 : 4.5 |
| Pennsylvania | S | 1 : 1.3 | 1 : 1.9 | 1 : 1.7 |
| | M | 1 : 1.3 | 1 : 3.0 | 1 : 2.5 |
| | L | 1 : 1.4 | 1 : 1.7 | 1 : 2.9 |
| South Carolina | S | 1 : 1.2 | 1 : 1.6 | 1 : 2.1 |
| | M | 1 : 1.4 | 1 : 1.7 | 1 : 5.1 |
| | L | 1 : 1.2 | 1 : 1.6 | 1 : 1.9 |
| Utah | S | 1 : 2.3 | 1 : 1.2 | 1 : 2.7 |
| | M | 1 : 1.1 | 1 : 1.1 | 1 : 1.4 |
| | L | 1 : 1.3 | 1 : 1.3 | 1 : 3.1 |
| Wisconsin | S | 1 : 1.7 | 1 : 4.8 | 1 : 11.6 |
| | M | 1 : 1.3 | 1 : 1.3 | 1 : 2.0 |
| | L | 1 : 2.0 | 1 : 2.1 | 1 : 3.7 |
| | MEDIAN | 1 : 1.55 | 1 : 2.10 | 1 : 3.75 |

of the assessed valuation would be levied.

A conceptual weakness of these four models is readily apparent. The high expenditure districts would shift a greater dollar tax levy to the region than the districts with more modest costs. However, the high positive correlation between wealth and expenditure levels suggests that the districts which would receive a higher dollar return from the region would also contribute more through the uniform regional levy. As shown in Table 5.6 the variability in wealth is far greater than it is in the level of expenditure. Therefore, the equalizing effect of models 1, 2, 3, and 4 is apparent. Moreover, these models may have more political appeal than "Robin Hood" plans which simply take from the rich and give to the poor.

Model five examines a slightly different concept. In this case a uniform regional tax would be levied to produce revenue equal to the average per pupil unit expenditure for current expense in the several districts of the region. Districts wishing to spend more money than the average for the region would be granted local tax leeway to do so. The average cost would be increased annually in this fashion. Of course, districts that were unwilling or unable to levy local taxes would be allowed to limit expenditures to the average of the region or a lower level.

Models six and seven are conceptually identical. In both instances a uniform tax would be levied with the proceeds of such tax distributed to the districts on a flat grant basis. Model six tests the effect of such a tax of sufficient magnitude to produce $100 per pupil in average daily attendance. The impact of a one mill uniform tax is tested in model seven.

## Analysis of the Seven Models

Models 1, 2, 3, and 4 provided for a shifting of 25, 50, 75, and 100 percent, respectively, of the local levy for current expense to a uniform regional property tax. Net current expense was computed as the difference between reported current expenditure and state aid for the same purpose. The property tax rate that would be required to raise that amount of money was calculated for each district. This tax rate was compared with the rate which was derived in the fashion described above. The derived tax rate was the sum of the local and regional tax rates for each of the models. The impact of models 1, 2, 3, and 4 follows.

### MODEL ONE -- Twenty-Five Percent Regional and Seventy-five Percent Local Sharing

The potential maximum changes in local tax rates that would result from a shifting of 25 percent of the current expense levy from the local districts to the region are shown in Table 5.7. The required regional rates were added to the reduced local rates in computing the anticipated changes.

The regional tax rate necessary to support 25 percent of the current expense budgets in the several districts in each region is also shown in Table 5.7. Since assessment practices vary greatly between states, all comparisons should be limited to the three regions within a single state. Generally, the variations in tax rates between the small, medium, and large regions would be rather insignificant. However, in most states the highest regional tax levies would be in the regions with the largest number of students in attendance. Mississippi and South Carolina are exceptions to this generalization.

Table 5.7
High and Low Tax Rates Within Regions Before and After Alternative Tax Plan Number One with the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate | | Lowest Rate | | District Receiving | | Largest | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Before | After | Before | After | Decr. | Incr. | Decr. | Incr. |
| California | S | 8.5 | 48.1 | 44.6 | 19.3 | 23.0 | 8 | 11 | 3.5 | 3.7 |
| | M | 8.9 | 54.6 | 49.8 | 16.1 | 21.0 | 11 | 23 | 4.8 | 4.8 |
| | L | 8.5 | 50.1 | 46.0 | 17.2 | 21.4 | 60 | 42 | 4.1 | 4.2 |
| Colorado | S | 11.0 | 80.7 | 71.6 | 19.0 | 25.3 | 6 | 16 | 9.2 | 6.3 |
| | M | 10.5 | 60.9 | 56.1 | 14.1 | 21.0 | 10 | 17 | 4.8 | 6.9 |
| | L | 12.0 | 68.1 | 63.1 | 23.4 | 29.6 | 9 | 10 | 5.0 | 6.2 |
| Indiana | S | 8.9 | 42.7 | 40.9 | 29.4 | 30.9 | 5 | 7 | 1.8 | 1.5 |
| | M | 8.4 | 42.3 | 40.1 | 20.2 | 23.5 | 5 | 6 | 2.2 | 3.3 |
| | L | 10.3 | 52.4 | 49.6 | 12.1 | 19.4 | 11 | 35 | 2.8 | 7.3 |
| Iowa | S | 10.7 | 82.7 | 72.8 | 28.8 | 32.3 | 7 | 17 | 9.9 | 3.5 |
| | M | 12.3 | 69.8 | 64.6 | 26.9 | 32.4 | 5 | 9 | 5.2 | 5.6 |
| | L | 13.1 | 78.7 | 72.2 | 30.3 | 35.8 | 17 | 41 | 6.5 | 5.6 |
| Maine | S | 4.5 | 37.8 | 32.9 | 2.7 | 6.6 | 22 | 20 | 4.9 | 3.9 |
| | M | 6.7 | 38.6 | 35.6 | 5.8 | 11.0 | 5 | 14 | 3.0 | 5.2 |
| | L | 7.3 | 37.0 | 35.1 | 2.4 | 9.1 | 13 | 13 | 1.9 | 6.7 |
| Michigan | S | 4.9 | 29.1 | 26.8 | 5.4 | 8.9 | 9 | 26 | 2.4 | 3.6 |
| | M | 6.0 | 32.0 | 30.1 | 13.0 | 15.8 | 7 | 17 | 2.0 | 2.8 |
| | L | 6.2 | 49.3 | 43.2 | 1.4 | 7.3 | 58 | 65 | 6.1 | 5.9 |
| Minnesota | S | 9.7 | 98.5 | 83.6 | 3.7 | 8.8 | 25 | 38 | 14.9 | 8.8 |
| | M | 8.4 | 44.2 | 41.5 | 4.8 | 12.0 | 24 | 45 | 2.7 | 7.2 |
| | L | 9.8 | 134.9 | 110.0 | 4.9 | 13.5 | 41 | 19 | 23.9 | 8.6 |
| Mississippi | S | 9.3 | 77.4 | 67.3 | 23.4 | 26.9 | 7 | 6 | 10.0 | 3.4 |
| | M | 7.3 | 57.8 | 50.7 | 20.1 | 22.4 | 8 | 8 | 7.1 | 2.3 |
| | L | 5.2 | 45.2 | 39.2 | 18.5 | 19.1 | 6 | 2 | 6.1 | .6 |
| Nebraska | S | 9.6 | 71.8 | 63.5 | 7.0 | 14.8 | 16 | 29 | 8.3 | 7.9 |
| | M | 11.4 | 87.1 | 76.7 | 12.1 | 20.5 | 8 | 13 | 10.4 | 8.4 |
| | L | 11.4 | 124.7 | 105.0 | 4.0 | 14.4 | 12 | 72 | 19.7 | 10.4 |
| New Hampshire | S | 2.5 | 16.2 | 14.6 | 5.8 | 6.8 | 6 | 5 | 1.6 | 1.0 |
| | M | 4.0 | 20.4 | 19.2 | 9.0 | 10.7 | 5 | 6 | 1.1 | 1.7 |
| | L | 3.3 | 20.5 | 18.6 | 11.3 | 11.7 | 13 | 1 | 1.9 | .4 |
| New York | S | 5.6 | 65.3 | 54.5 | 10.2 | 13.3 | 15 | 28 | 10.7 | 3.0 |
| | M | 4.2 | 52.8 | 43.7 | 3.4 | 6.7 | 39 | 13 | 9.0 | 3.3 |
| | L | 5.5 | 55.3 | 46.9 | 8.0 | 11.4 | 76 | 43 | 8.3 | 3.5 |
| Oregon | S | 3.2 | 15.9 | 15.1 | 6.0 | 7.6 | 2 | 3 | .8 | 1.6 |
| | M | 3.2 | 24.9 | 21.9 | 5.5 | 7.3 | 10 | 7 | 3.0 | 1.8 |
| | L | 3.2 | 31.4 | 26.7 | 6.2 | 7.8 | 51 | 21 | 4.6 | 1.6 |
| Pennsylvania | S | 3.3 | 16.1 | 15.3 | 7.1 | 8.6 | 2 | 3 | .8 | 1.5 |
| | M | 3.3 | 16.0 | 15.3 | 7.4 | 8.8 | 2 | 4 | .7 | 1.4 |
| | L | 5.0 | 22.9 | 22.2 | 14.3 | 15.7 | 2 | 3 | .7 | 1.4 |
| South Carolina | S | 31.7 | 233.1 | 206.5 | 99.8 | 106.5 | 11 | 5 | 26.6 | 6.7 |
| | M | 23.9 | 180.2 | 159.0 | 41.1 | 54.7 | 5 | 4 | 21.2 | 13.6 |
| | L | 23.0 | 134.6 | 123.9 | 45.6 | 57.1 | 9 | 6 | 10.7 | 11.5 |
| Utah | S | 8.9 | 45.3 | 42.8 | 29.7 | 31.1 | 5 | 3 | 2.5 | 1.4 |
| | M | 8.8 | 38.0 | 37.3 | 32.9 | 33.5 | 3 | 1 | .7 | .6 |
| | L | 8.9 | 44.5 | 42.3 | 28.5 | 30.3 | 4 | 4 | 2.2 | 1.8 |
| Wisconsin | S | 3.2 | 22.9 | 20.4 | 3.5 | 5.8 | 19 | 11 | 2.5 | 2.3 |
| | M | 3.7 | 22.7 | 20.8 | 10.4 | 11.5 | 39 | 17 | 1.9 | 1.1 |
| | L | 3.9 | 26.7 | 23.9 | 11.7 | 12.6 | 30 | 7 | 2.8 | .9 |

### MODEL TWO - Fifty Percent Regional and Fifty Percent Local Sharing

The results of the analysis for model two are shown in Table 5.8. The number of districts that would experience increases and decreases in total school taxes would be the same as in Model One. As expected, the size and percent of the changes were in each instance just double the size of the corresponding figures under Model One. Also, the necessary regional tax rate would be two times greater than the rate for Model One.

### MODEL THREE - Seventy-five Percent Regional and Twenty-five Percent Local Sharing

After the net local expenditure for current expense was calculated, as explained earlier, seventy-five percent of that amount was shifted to the region to be raised by a uniform regional property tax. The required regional levy was the same as combining the levy needed for Models One and Two. The districts that would experience decreases and increases under this plan would be the same as those under the two other models. The percents of increase and percents of decrease under this plan were the same as the combined figures for Models One and Two. Under this plan the total levy in each district would move rather close to a uniform rate for all districts. A tabulation of the expected results of Model Three are shown in Table 5.9.

### MODEL FOUR - One Hundred Percent Regional Taxation

For this model, all of the net local current expense would be shifted to the region and supported by a uniform tax levy on the total property tax base. The required regional levy was calculated in the same manner as the method used in the three previous models. Again, the districts with above average wealth would experience tax increases while those of less wealth would receive tax decreases. The tax decreases in some districts with this model would equal or exceed the calculated regional rate. Also, some districts would experience tax increases of over ninety percent of the regional rate. Table 5.10 summarizes the changes associated with Model Four.

### MODEL FIVE - Regional Support for Net Current Expense Equal to the Mean in the Region

Model Five corrects some of the conceptual limitations inherent in the first four models. In the earlier models, districts that exceeded mean local expenditures for the region were permitted to shift a greater dollar levy to the region than the districts with lower levels of expenditure. Model Five proposes a uniform regional tax levy to support all districts at the mean level of expenditure for the region. Districts choosing to maintain higher levels of expenditure would have to depend on local taxes for that portion of their revenue. The equalizing impact of this model is apparent because districts with high valuations would be required to share their wealth with their less fortunate neighbors. Since these more favored districts would normally operate at above average costs, and probably choose to increase such costs annually, the mean for the region would become higher each year.

Table 5.8
High and Low Tax Rates Within Regions Before and After Alternative
Tax Plan Number Two With the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate | | Lowest Rate | | District Receiving | | Largest | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Before | After | Before | After | Decr. | Incr. | Decr. | Incr. |
| California | S | 17.0 | 48.1 | 41.0 | 19.3 | 26.6 | 8 | 11 | 7.1 | 7.3 |
| | M | 17.7 | 54.6 | 45.0 | 16.1 | 25.8 | 11 | 23 | 9.6 | 9.7 |
| | L | 16.9 | 50.1 | 42.0 | 17.2 | 25.5 | 60 | 42 | 8.1 | 8.3 |
| Colorado | S | 22.0 | 80.7 | 62.4 | 19.0 | 31.6 | 6 | 16 | 18.3 | 12.5 |
| | M | 20.9 | 60.9 | 51.3 | 14.1 | 28.0 | 10 | 17 | 9.5 | 13.8 |
| | L | 24.1 | 68.1 | 58.1 | 23.4 | 35.8 | 9 | 10 | 9.9 | 12.4 |
| Indiana | S | 17.7 | 42.7 | 39.1 | 29.4 | 32.4 | 5 | 7 | 3.6 | 3.0 |
| | M | 16.7 | 42.3 | 37.9 | 20.2 | 26.8 | 5 | 6 | 4.4 | 6.6 |
| | L | 20.6 | 52.4 | 46.8 | 12.1 | 26.7 | 11 | 35 | 5.5 | 14.6 |
| Iowa | S | 21.4 | 82.7 | 62.8 | 35.9 | 35.9 | 7 | 17 | 19.9 | 7.1 |
| | M | 24.6 | 69.8 | 59.4 | 26.9 | 38.0 | 5 | 9 | 10.3 | 11.1 |
| | L | 26.3 | 78.7 | 65.6 | 30.3 | 41.4 | 17 | 41 | 13.1 | 11.1 |
| Maine | S | 9.1 | 37.8 | 33.2 | 2.7 | 15.8 | 22 | 20 | 9.8 | 7.7 |
| | M | 13.4 | 38.6 | 32.7 | 5.8 | 16.3 | 5 | 14 | 5.9 | 10.5 |
| | L | 14.7 | 37.0 | 28.0 | 2.4 | 10.4 | 13 | 13 | 3.9 | 13.5 |
| Michigan | S | 9.8 | 29.1 | 24.4 | 5.4 | 12.5 | 9 | 26 | 4.8 | 7.1 |
| | M | 12.0 | 32.0 | 28.1 | 13.0 | 18.6 | 7 | 17 | 4.0 | 5.5 |
| | L | 12.5 | 49.3 | 37.1 | 1.4 | 13.2 | 58 | 65 | 12.2 | 11.8 |
| Minnesota | S | 19.4 | 98.5 | 68.7 | 3.7 | 21.3 | 25 | 38 | 29.8 | 17.6 |
| | M | 16.7 | 44.2 | 38.8 | 4.8 | 19.1 | 24 | 45 | 5.4 | 14.3 |
| | L | 19.7 | 134.9 | 87.1 | 4.9 | 22.1 | 41 | 19 | 47.8 | 17.2 |
| Mississippi | S | 18.6 | 77.4 | 57.3 | 23.4 | 30.3 | 7 | 6 | 20.1 | 6.9 |
| | M | 14.7 | 57.8 | 43.6 | 20.1 | 24.8 | 8 | 8 | 14.2 | 4.6 |
| | L | 10.5 | 45.2 | 33.1 | 18.5 | 19.7 | 6 | 2 | 12.2 | 1.2 |
| Nebraska | S | 19.2 | 71.8 | 55.1 | 7.0 | 22.7 | 16 | 29 | 16.7 | 15.7 |
| | M | 22.8 | 87.1 | 66.3 | 12.1 | 28.8 | 8 | 13 | 20.8 | 16.7 |
| | L | 22.9 | 124.7 | 85.2 | 4.0 | 24.9 | 12 | 72 | 39.5 | 20.9 |
| New Hampshire | S | 4.9 | 16.2 | 13.0 | 5.8 | 7.8 | 6 | 5 | 3.2 | 2.0 |
| | M | 7.9 | 20.4 | 18.1 | 9.0 | 12.4 | 5 | 6 | 2.2 | 3.4 |
| | L | 6.5 | 20.5 | 17.8 | 11.3 | 12.2 | 13 | 1 | 3.8 | .9 |
| New York | S | 11.2 | 65.3 | 43.8 | 10.2 | 16.3 | 15 | 28 | 21.4 | 6.1 |
| | M | 8.3 | 52.8 | 34.7 | 3.4 | 10.1 | 39 | 13 | 18.1 | 6.6 |
| | L | 10.9 | 55.3 | 38.6 | 8.0 | 14.9 | 76 | 43 | 16.7 | 7.0 |
| Oregon | S | 6.3 | 15.9 | 18.9 | 6.0 | 9.2 | 2 | 3 | 1.6 | 3.3 |
| | M | 6.5 | 24.9 | 14.2 | 5.5 | 9.3 | 10 | 7 | 6.0 | 3.7 |
| | L | 6.4 | 31.4 | 22.1 | 6.2 | 9.5 | 51 | 21 | 9.3 | 3.3 |
| Pennsylvania | S | 6.5 | 16.1 | 14.6 | 7.1 | 10.1 | 2 | 3 | 1.5 | 3.0 |
| | M | 6.6 | 16.0 | 14.6 | 7.4 | 10.3 | 2 | 4 | 1.4 | 2.9 |
| | L | 10.0 | 22.9 | 21.5 | 14.3 | 17.2 | 2 | 3 | 1.5 | 2.9 |
| South Carolina | S | 63.3 | 233.1 | 179.9 | 99.8 | 113.2 | 11 | 5 | 53.2 | 13.4 |
| | M | 47.7 | 180.2 | 137.8 | 41.1 | 68.3 | 5 | 4 | 42.4 | 27.2 |
| | L | 45.9 | 134.6 | 113.2 | 45.6 | 68.7 | 9 | 6 | 21.4 | 23.1 |
| Utah | S | 17.7 | 45.3 | 40.4 | 29.7 | 32.6 | 5 | 3 | 4.9 | 2.9 |
| | M | 17.6 | 38.0 | 36.7 | 36.7 | 34.1 | 3 | 1 | 1.4 | 1.2 |
| | L | 17.8 | 44.5 | 40.1 | 28.5 | 32.1 | 4 | 4 | 4.4 | 3.5 |
| Wisconsin | S | 6.4 | 22.9 | 17.9 | 3.5 | 8.2 | 19 | 11 | 5.0 | 4.7 |
| | M | 7.5 | 22.7 | 18.8 | 10.4 | 12.6 | 39 | 17 | 3.9 | 2.3 |
| | L | 7.7 | 26.7 | 21.1 | 11.7 | 13.6 | 30 | 7 | 5.6 | 1.9 |

Table 5.9
High and Low Tax Rates Within Regions Before and After Alternative Tax Plan Number Three with the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate |  | Lowest Rate |  | District Receiving |  | Largest |  |
|---|---|---|---|---|---|---|---|---|---|---|
|  |  |  | Before | After | Before | After | Decr. | Incr. | Decr. | Incr. |
| California | S | 25.5 | 48.1 | 37.5 | 19.3 | 30.3 | 8 | 11 | 10.6 | 11.0 |
|  | M | 26.6 | 54.6 | 40.3 | 16.1 | 30.6 | 11 | 23 | 14.4 | 14.5 |
|  | L | 25.4 | 50.1 | 37.9 | 17.2 | 29.7 | 60 | 42 | 12.2 | 12.5 |
| Colorado | S | 33.1 | 80.7 | 53.3 | 19.0 | 37.8 | 6 | 16 | 27.5 | 18.8 |
|  | M | 31.4 | 60.9 | 46.6 | 14.1 | 34.9 | 10 | 17 | 14.3 | 20.8 |
|  | L | 36.1 | 68.1 | 53.2 | 23.4 | 42.0 | 9 | 10 | 14.9 | 18.6 |
| Indiana | S | 26.6 | 42.7 | 37.3 | 29.4 | 34.0 | 5 | 7 | 5.4 | 4.6 |
|  | M | 25.1 | 42.3 | 35.7 | 20.2 | 30.1 | 5 | 6 | 6.7 | 9.9 |
|  | L | 31.0 | 52.4 | 44.1 | 12.1 | 34.0 | 11 | 35 | 8.3 | 21.9 |
| Iowa | S | 32.2 | 82.7 | 52.9 | 28.8 | 39.4 | 7 | 17 | 29.8 | 10.6 |
|  | M | 36.8 | 69.8 | 54.3 | 26.9 | 43.6 | 5 | 9 | 15.5 | 16.7 |
|  | L | 39.4 | 78.7 | 59.1 | 30.3 | 47.0 | 17 | 41 | 19.6 | 16.7 |
| Maine | S | 13.6 | 37.8 | 31.2 | 2.7 | 22.6 | 22 | 20 | 14.8 | 11.6 |
|  | M | 20.7 | 38.6 | 29.7 | 5.8 | 21.5 | 5 | 14 | 8.9 | 15.7 |
|  | L | 22.0 | 37.0 | 23.0 | 2.4 | 14.3 | 13 | 13 | 5.8 | 20.2 |
| Michigan | S | 14.7 | 29.1 | 22.0 | 5.4 | 16.1 | 9 | 26 | 7.1 | 10.7 |
|  | M | 18.1 | 32.0 | 26.1 | 13.0 | 21.3 | 7 | 17 | 6.0 | 8.3 |
|  | L | 18.7 | 49.3 | 31.0 | 1.4 | 19.1 | 58 | 65 | 18.3 | 17.6 |
| Minnesota | S | 29.1 | 98.5 | 53.8 | 3.7 | 30.1 | 25 | 38 | 44.7 | 26.4 |
|  | M | 25.1 | 44.2 | 36.1 | 4.8 | 26.3 | 24 | 45 | 8.1 | 21.5 |
|  | L | 29.5 | 134.9 | 63.2 | 4.9 | 30.7 | 41 | 19 | 71.6 | 25.9 |
| Mississippi | S | 27.9 | 77.4 | 47.2 | 23.4 | 33.7 | 7 | 6 | 30.1 | 10.3 |
|  | M | 22.0 | 57.8 | 36.5 | 20.1 | 27.1 | 8 | 8 | 21.3 | 6.9 |
|  | L | 15.7 | 45.2 | 27.0 | 18.5 | 20.3 | 6 | 2 | 18.2 | 1.8 |
| Nebraska | S | 28.8 | 71.8 | 46.8 | 7.0 | 30.6 | 16 | 29 | 25.0 | 23.6 |
|  | M | 34.2 | 87.1 | 65.9 | 12.1 | 37.2 | 8 | 13 | 31.2 | 25.1 |
|  | L | 34.3 | 124.7 | 65.5 | 4.0 | 35.3 | 12 | 72 | 59.2 | 31.3 |
| New Hampshire | S | 7.4 | 16.2 | 11.4 | 5.8 | 8.8 | 6 | 5 | 4.7 | 3.0 |
|  | M | 11.9 | 20.4 | 17.0 | 9.0 | 14.2 | 5 | 6 | 3.3 | 5.2 |
|  | L | 9.8 | 20.5 | 14.9 | 11.3 | 12.6 | 13 | 1 | 5.6 | 1.3 |
| New York | S | 16.8 | 65.3 | 33.1 | 10.2 | 19.3 | 15 | 28 | 32.2 | 9.1 |
|  | M | 12.5 | 52.8 | 25.7 | 3.4 | 13.4 | 39 | 13 | 27.1 | 9.9 |
|  | L | 16.4 | 55.3 | 30.2 | 8.0 | 18.4 | 76 | 43 | 25.0 | 10.5 |
| Oregon | S | 9.5 | 15.9 | 15.9 | 6.0 | 11.1 | 2 | 3 | 2.5 | 5.0 |
|  | M | 9.7 | 24.9 | 13.4 | 5.5 | 10.9 | 10 | 7 | 9.0 | 5.6 |
|  | L | 9.6 | 31.4 | 17.4 | 6.2 | 11.2 | 51 | 21 | 13.9 | 4.9 |
| Pennsylvania | S | 9.8 | 16.1 | 13.8 | 7.1 | 11.6 | 2 | 3 | 2.3 | 4.5 |
|  | M | 9.9 | 16.0 | 13.9 | 7.4 | 11.7 | 2 | 4 | 2.2 | 4.3 |
|  | L | 15.0 | 22.9 | 20.8 | 14.3 | 18.6 | 2 | 3 | 2.2 | 4.3 |
| South Carolina | S | 95.0 | 233.1 | 153.3 | 99.8 | 120.0 | 11 | 5 | 79.9 | 20.1 |
|  | M | 71.6 | 180.2 | 116.7 | 41.1 | 81.9 | 5 | 4 | 63.6 | 40.7 |
|  | L | 68.9 | 134.6 | 102.5 | 45.6 | 80.3 | 9 | 6 | 32.1 | 34.7 |
| Utah | S | 26.6 | 45.3 | 37.9 | 29.7 | 34.0 | 5 | 3 | 7.4 | 4.3 |
|  | M | 26.5 | 38.0 | 36.0 | 32.9 | 34.7 | 3 | 1 | 2.1 | 1.8 |
|  | L | 26.7 | 44.5 | 37.8 | 28.5 | 33.8 | 4 | 4 | 6.7 | 5.3 |
| Wisconsin | S | 9.6 | 22.9 | 15.4 | 3.5 | 10.5 | 19 | 11 | 7.5 | 7.0 |
|  | M | 11.2 | 22.7 | 16.9 | 10.4 | 13.8 | 39 | 17 | 5.9 | 3.4 |
|  | L | 11.6 | 26.7 | 18.3 | 11.7 | 14.5 | 30 | 7 | 8.4 | 2.8 |

Table 5.10
High and Low Model Tax Rates Within Regions Before and After Alternative Tax Model Number Four with the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate | | Lowest Rate | | District Receiving | | Largest | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Before | After | Before | After | Decr. | Incr. | Decr. | Incr. |
| California | S | 34.0 | 48.1 | 34.0 | 19.3 | 34.0 | 8 | 11 | 14.1 | 14.6 |
| | M | 35.5 | 54.6 | 35.5 | 16.1 | 35.5 | 11 | 23 | 19.2 | 19.3 |
| | L | 33.9 | 50.1 | 33.9 | 17.2 | 33.9 | 60 | 42 | 16.2 | 16.7 |
| Colorado | S | 44.1 | 80.7 | 44.1 | 19.0 | 44.1 | 6 | 16 | 36.7 | 25.1 |
| | M | 41.8 | 60.9 | 41.8 | 14.1 | 41.8 | 10 | 17 | 19.1 | 27.7 |
| | L | 48.2 | 68.1 | 48.2 | 23.4 | 48.2 | 9 | 10 | 19.9 | 24.8 |
| Indiana | S | 35.5 | 42.7 | 35.5 | 29.4 | 35.5 | 5 | 7 | 7.2 | 6.1 |
| | M | 33.4 | 42.3 | 33.4 | 20.2 | 33.4 | 5 | 6 | 8.9 | 13.2 |
| | L | 41.3 | 52.4 | 41.3 | 12.1 | 41.3 | 11 | 35 | 11.1 | 29.2 |
| Iowa | S | 42.9 | 82.7 | 42.9 | 28.8 | 42.9 | 7 | 17 | 39.8 | 14.1 |
| | M | 49.1 | 69.8 | 49.1 | 26.9 | 49.1 | 5 | 9 | 20.7 | 22.2 |
| | L | 52.5 | 78.7 | 52.5 | 30.3 | 52.5 | 17 | 41 | 26.2 | 22.3 |
| Maine | S | 18.1 | 37.8 | 18.1 | 2.7 | 18.1 | 22 | 20 | 19.7 | 15.4 |
| | M | 26.8 | 38.6 | 38.6 | 5.8 | 38.6 | 5 | 14 | 11.8 | 21.0 |
| | L | 29.3 | 37.0 | 37.0 | 2.4 | 37.0 | 13 | 13 | 7.7 | 26.9 |
| Michigan | S | 19.6 | 29.1 | 29.1 | 5.4 | 29.1 | 9 | 26 | 9.5 | 14.3 |
| | M | 24.1 | 32.0 | 32.0 | 13.0 | 32.0 | 7 | 17 | 8.0 | 11.0 |
| | L | 24.9 | 49.3 | 49.3 | 1.4 | 49.3 | 58 | 65 | 24.4 | 23.5 |
| Minnesota | S | 38.9 | 98.5 | 98.5 | 3.7 | 98.5 | 25 | 38 | 59.6 | 35.2 |
| | M | 33.4 | 44.2 | 44.2 | 4.8 | 44.2 | 24 | 45 | 10.8 | 28.6 |
| | L | 39.4 | 134.9 | 134.9 | 4.9 | 134.9 | 41 | 19 | 95.5 | 34.5 |
| Mississippi | S | 37.2 | 77.4 | 77.4 | 23.4 | 77.4 | 7 | 6 | 40.2 | 13.8 |
| | M | 29.4 | 57.8 | 57.8 | 20.1 | 57.8 | 8 | 8 | 28.5 | 9.2 |
| | L | 20.9 | 45.2 | 45.2 | 18.5 | 45.2 | 6 | 2 | 24.3 | 2.5 |
| Nebraska | S | 38.5 | 71.8 | 71.8 | 7.0 | 71.8 | 16 | 29 | 33.4 | 31.5 |
| | M | 45.5 | 87.1 | 87.1 | 12.1 | 87.1 | 8 | 13 | 41.6 | 33.4 |
| | L | 45.7 | 124.7 | 124.7 | 4.0 | 124.7 | 12 | 72 | 78.9 | 41.7 |
| New Hampshire | S | 9.8 | 16.2 | 16.2 | 5.8 | 16.2 | 6 | 5 | 6.3 | 4.1 |
| | M | 15.9 | 20.4 | 20.4 | 9.0 | 20.4 | 5 | 6 | 4.5 | 6.9 |
| | L | 13.0 | 20.5 | 20.5 | 11.3 | 20.5 | 13 | 1 | 7.5 | 1.7 |
| New York | S | 22.4 | 65.3 | 65.3 | 10.2 | 65.3 | 15 | 28 | 42.9 | 12.1 |
| | M | 16.7 | 52.8 | 52.8 | 3.4 | 52.8 | 39 | 13 | 36.1 | 13.2 |
| | L | 21.9 | 55.3 | 55.3 | 8.0 | 55.3 | 76 | 43 | 33.4 | 13.9 |
| Oregon | S | 12.6 | 15.9 | 15.9 | 6.0 | 15.9 | 2 | 3 | 3.3 | 6.6 |
| | M | 12.9 | 24.9 | 24.9 | 5.5 | 24.9 | 10 | 7 | 12.0 | 7.4 |
| | L | 12.8 | 31.4 | 31.4 | 6.2 | 31.4 | 51 | 21 | 18.6 | 6.6 |
| Pennsylvania | S | 13.1 | 16.1 | 16.1 | 7.1 | 16.1 | 2 | 3 | 3.0 | 5.9 |
| | M | 13.2 | 16.0 | 16.0 | 7.4 | 16.0 | 2 | 4 | 2.9 | 5.8 |
| | L | 20.1 | 22.9 | 22.9 | 14.3 | 22.9 | 2 | 3 | 2.9 | 5.8 |
| South Carolina | S | 126.7 | 233.1 | 233.1 | 99.8 | 233.1 | 11 | 5 | 106.5 | 26.8 |
| | M | 95.5 | 180.2 | 180.2 | 41.1 | 180.2 | 5 | 4 | 84.7 | 54.3 |
| | L | 91.8 | 134.6 | 134.6 | 45.6 | 134.6 | 9 | 6 | 42.8 | 46.2 |
| Utah | S | 35.5 | 45.3 | 45.3 | 29.7 | 45.3 | 5 | 3 | 9.8 | 5.7 |
| | M | 35.3 | 38.0 | 38.0 | 32.9 | 38.0 | 3 | 1 | 4.4 | 4.2 |
| | L | 35.6 | 44.5 | 44.5 | 28.5 | 44.5 | 4 | 4 | 8.9 | 7.1 |
| Wisconsin | S | 12.9 | 22.9 | 22.9 | 3.5 | 22.9 | 19 | 11 | 10.0 | 9.4 |
| | M | 14.9 | 22.7 | 22.7 | 10.4 | 22.7 | 39 | 17 | 7.8 | 4.6 |
| | L | 15.5 | 26.7 | 26.7 | 11.7 | 26.7 | 30 | 7 | 11.3 | 3.7 |

The tax implications of Model Five are shown in Table 5.11. Both wealth and expenditure levels were factors in identifying districts with tax increases or decreases. For instance, a wealthy district with a low expenditure level would experience a greater tax increase than a comparable district with higher costs. Also, a poor district with a high local tax rate would get a larger reduction in taxes than such a district with more modest taxes.

The equalizing effect of Model Five would be more pronounced than was the case in the first four models. Generally, the low expenditure districts would experience smaller tax increases or even receive tax reductions, often of a rather sizable nature. This indicates that such districts are now making a greater than average effort to support schools, yet their costs are below the mean for the region. Model Five is compared further with other models later in this chapter.

## MODEL SIX - Regional Support for $100 per ADA

Model Six would use the combined regional tax base to raise $100 for each pupil. This plan would aid the low expenditure districts and districts with below average valuation for each pupil (generally the same districts). The $100 would represent a large share of the current expense in such districts. Assuming that the revenue from this regional tax would be in addition to other income, districts could either increase their expenditures or decrease local school taxes. Table 5.12 illustrates further the equalizing impact of Model Six.

## MODEL SEVEN - One Mill Regional Tax

This model, like Model Six, would deal directly with the problem of unequal resources between districts within regions. While the one mill levy is small, and was used here merely to test the model, it is now clear that a larger regional tax rate would have a tendency to equalize tax rates and expenditures within regions. Also, this model clearly reveals the relative wealth between regions within a state. Such information would be essential if state aids were to be distributed according to the wealth of the region.

Since several states are now considering regional taxing proposals with various changes in state aid formulas, the relationship between the size of regions, as measured by pupil population, and wealth were examined in Model Seven. The large regions, which include the major cities, possess the most assessed valuation per pupil in California, Mississippi, New York, Pennsylvania, Utah and Wisconsin. The large regions in Indiana, Iowa, Nebraska, and Oregon have the least amount of ability to support education with the property tax. The small regions are the most favored in Iowa, Maine, Michigan, Nebraska, and New Hampshire. The small regions with the least amount of property valuations were found in Colorado, Minnesota, Mississippi, New York, Pennsylvania and South Carolina.

The ratio of the smallest number of dollars per pupil in ADA raised by one mill in a region to the largest amount produced by the same tax rate in another region in the same state was calculated. This test was used to examine the distribution of wealth per pupil in ADA within the sixteen states in the sample. A ratio of one-to-one would indicate that the three regions

Table 5.11
High and Low Tax Rates Within Regions Before and After Alternative Tax Plan Number Five with the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate | | Lowest Rate | | District Receiving | | Largest | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Before | After | Before | After | Decr. | Incr. | Dec. | Incr. |
| California | S | 31.5 | 48.1 | 44.7 | 19.3 | 31.5 | 9 | 10 | 8.1 | 18.5 |
| | M | 31.3 | 54.6 | 53.2 | 16.1 | 31.3 | 11 | 23 | 21.7 | 22.5 |
| | L | 29.7 | 50.1 | 53.1 | 17.2 | 29.7 | 58 | 44 | 20.4 | 22.7 |
| Colorado | S | 38.0 | 80.7 | 55.8 | 19.0 | 38.0 | 7 | 15 | 42.7 | 34.1 |
| | M | 38.6 | 60.9 | 54.7 | 14.1 | 38.6 | 9 | 18 | 22.3 | 32.7 |
| | L | 42.7 | 68.1 | 63.1 | 23.4 | 42.7 | 13 | 6 | 25.3 | 28.6 |
| Indiana | S | 32.4 | 42.7 | 42.4 | 29.4 | 32.4 | 7 | 5 | 7.7 | 9.8 |
| | M | 32.0 | 42.3 | 42.8 | 20.2 | 32.0 | 5 | 6 | 10.4 | 12.5 |
| | L | 38.8 | 52.4 | 57.3 | 12.1 | 38.8 | 12 | 34 | 13.3 | 26.7 |
| Iowa | S | 39.9 | 82.7 | 52.4 | 28.8 | 39.9 | 8 | 16 | 38.0 | 17.0 |
| | M | 46.2 | 69.8 | 59.2 | 26.9 | 46.2 | 5 | 9 | 17.0 | 30.3 |
| | L | 50.4 | 78.7 | 69.8 | 30.3 | 50.4 | 18 | 40 | 27.9 | 25.2 |
| Maine | S | 14.6 | 37.8 | 35.1 | 2.7 | 14.6 | 22 | 20 | 23.2 | 11.9 |
| | M | 22.8 | 38.6 | 30.6 | 5.8 | 22.8 | 6 | 13 | 9.5 | 17.0 |
| | L | 27.8 | 37.0 | 29.5 | 2.4 | 27.8 | 12 | 14 | 9.2 | 25.5 |
| Michigan | S | 17.6 | 29.1 | 33.3 | 5.4 | 17.6 | 10 | 25 | 5.3 | 12.2 |
| | M | 18.7 | 32.0 | 28.7 | 13.0 | 18.7 | 13 | 11 | 12.9 | 5.6 |
| | L | 21.9 | 49.3 | 36.7 | 1.4 | 21.9 | 66 | 57 | 27.4 | 20.5 |
| Minnesota | S | 34.6 | 98.5 | 78.2 | 3.7 | 34.6 | 25 | 38 | 55.5 | 30.9 |
| | M | 30.6 | 44.2 | 44.4 | 4.8 | 30.6 | 23 | 46 | 11.2 | 29.0 |
| | L | 34.4 | 134.9 | 55.2 | 4.9 | 34.4 | 45 | 15 | 100.5 | 32.0 |
| Mississippi | S | 33.4 | 77.4 | 45.0 | 23.4 | 33.4 | 7 | 6 | 43.9 | 10.0 |
| | M | 26.5 | 57.8 | 41.6 | 20.1 | 26.5 | 8 | 8 | 31.3 | 10.2 |
| | L | 16.7 | 45.2 | 22.3 | 18.5 | 16.7 | 7 | 1 | 28.5 | 3.9 |
| Nebraska | S | 36.0 | 71.8 | 58.6 | 7.0 | 36.0 | 14 | 31 | 34.4 | 32.3 |
| | M | 43.2 | 87.1 | 61.8 | 12.1 | 43.2 | 6 | 15 | 30.1 | 32.7 |
| | L | 44.7 | 124.7 | 67.6 | 4.0 | 44.7 | 8 | 76 | 80.0 | 40.4 |
| New Hampshire | S | 9.2 | 16.2 | 10.4 | 5.8 | 9.2 | 4 | 7 | 7.0 | 4.2 |
| | M | 14.7 | 20.4 | 19.5 | 9.0 | 14.7 | 5 | 6 | 3.8 | 5.7 |
| | L | 12.7 | 20.5 | 16.2 | 11.3 | 12.7 | 11 | 3 | 7.8 | 1.4 |
| New York | S | 17.0 | 65.3 | 45.8 | 10.2 | 17.0 | 30 | 13 | 48.3 | 11.7 |
| | M | 14.3 | 52.8 | 23.7 | 3.4 | 14.3 | 41 | 11 | 33.8 | 10.8 |
| | L | 18.5 | 55.3 | 47.4 | 8.0 | 18.5 | 67 | 52 | 16.9 | 14.5 |
| Oregon | S | 11.9 | 15.9 | 20.2 | 6.0 | 11.9 | 2 | 3 | 4.0 | 9.3 |
| | M | 11.9 | 24.9 | 15.5 | 5.5 | 11.9 | 9 | 8 | 10.5 | 9.2 |
| | L | 12.2 | 31.4 | 19.0 | 6.2 | 12.2 | 49 | 23 | 12.8 | 8.6 |
| Pennsylvania | S | 11.4 | 16.1 | 15.5 | 7.1 | 11.4 | 2 | 3 | 2.0 | 4.3 |
| | M | 11.5 | 16.0 | 15.4 | 7.4 | 11.5 | 3 | 3 | 3.7 | 4.2 |
| | L | 18.5 | 22.9 | 21.8 | 14.3 | 18.5 | 2 | 3 | 3.4 | 4.2 |
| South Carolina | S | 118.6 | 233.1 | 159.5 | 99.8 | 118.6 | 12 | 4 | 99.7 | 18.8 |
| | M | 86.4 | 180.2 | 101.2 | 41.1 | 86.4 | 5 | 4 | 93.8 | 50.9 |
| | L | 87.4 | 134.6 | 112.9 | 45.6 | 87.4 | 9 | 6 | 47.2 | 41.9 |
| Utah | S | 32.0 | 45.3 | 55.4 | 29.7 | 32.0 | 4 | 4 | 7.0 | 10.1 |
| | M | 33.7 | 38.0 | 40.7 | 32.9 | 33.7 | 1 | 3 | 4.4 | 4.2 |
| | L | 30.1 | 44.5 | 42.3 | 28.5 | 30.1 | 4 | 4 | 14.4 | 9.4 |
| Wisconsin | S | 11.2 | 22.9 | 16.8 | 3.5 | 11.2 | 22 | 8 | 11.7 | 9.5 |
| | M | 13.3 | 22.7 | 22.0 | 10.4 | 13.3 | 43 | 13 | 9.4 | 5.2 |
| | L | 14.3 | 26.7 | 21.8 | 11.7 | 14.3 | 28 | 9 | 12.4 | 5.6 |

Table 5.12
High and Low Tax Rates Within Regions Before and After Alternative Tax Plan Number Six with the Number of Decreases and Increases

| State | Region | Required Regional Rate | Highest Rate | | Lowest Rate | | District Receiving | | Largest | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Before | After | Before | After | Decr. | Incr. | Decr. | Incr. |
| California | S | 9.9 | 48.1 | 47.1 | 19.3 | 25.4 | 8 | 11 | 2.9 | 6.1 |
| | M | 11.2 | 54.6 | 54.0 | 16.1 | 24.0 | 9 | 25 | 11.2 | 8.4 |
| | L | 9.7 | 50.1 | 48.7 | 17.2 | 20.6 | 54 | 48 | 15.2 | 7.7 |
| Colorado | S | 12.6 | 80.7 | 69.6 | 19.0 | 12.6 | 8 | 14 | 11.1 | 11.5 |
| | M | 9.1 | 60.9 | 56.5 | 14.1 | 21.9 | 6 | 21 | 7.9 | 7.8 |
| | L | 10.6 | 68.1 | 63.7 | 23.4 | 29.2 | 11 | 8 | 12.7 | 7.5 |
| Indiana | S | 11.3 | 42.7 | 43.3 | 29.4 | 29.7 | 5 | 7 | 6.1 | 4.1 |
| | M | 10.5 | 42.3 | 40.1 | 20.2 | 24.6 | 6 | 5 | 6.2 | 4.4 |
| | L | 12.8 | 52.4 | 52.2 | 12.1 | 21.7 | 23 | 23 | 7.8 | 6.3 |
| Iowa | S | 7.8 | 82.7 | 76.3 | 28.8 | 32.5 | 6 | 18 | 6.4 | 3.7 |
| | M | 11.4 | 69.8 | 66.5 | 26.9 | 34.6 | 4 | 10 | 3.3 | 7.7 |
| | L | 11.8 | 78.7 | 72.9 | 30.3 | 36.2 | 18 | 40 | 8.8 | 6.1 |
| Maine | S | 6.6 | 37.8 | 35.5 | 2.7 | 11.8 | 23 | 19 | 10.4 | 4.2 |
| | M | 9.1 | 38.6 | 37.2 | 5.8 | 10.5 | 13 | 6 | 6.7 | 4.4 |
| | L | 7.6 | 37.0 | 33.6 | 2.4 | 7.9 | 17 | 9 | 6.1 | 5.4 |
| Michigan | S | 6.2 | 29.1 | 31.1 | 5.4 | 7.0 | 21 | 14 | 5.5 | 3.8 |
| | M | 7.5 | 32.0 | 32.0 | 13.0 | 11.4 | 19 | 5 | 9.5 | 3.0 |
| | L | 6.6 | 49.3 | 36.8 | 1.4 | 9.5 | 77 | 46 | 12.5 | 5.4 |
| Minnesota | S | 13.5 | 98.5 | 83.4 | 3.7 | 13.6 | 26 | 37 | 17.8 | 12.5 |
| | M | 10.0 | 44.2 | 44.4 | 4.8 | 12.1 | 21 | 48 | 5.4 | 9.5 |
| | L | 11.9 | 134.9 | 98.6 | 4.9 | 15.2 | 39 | 21 | 36.2 | 11.2 |
| Mississippi | S | 20.3 | 77.4 | 54.1 | 23.4 | 25.3 | 8 | 5 | 37.9 | 5.1 |
| | M | 18.0 | 57.8 | 40.8 | 20.1 | 18.9 | 8 | 8 | 19.3 | 8.1 |
| | L | 13.6 | 45.2 | 28.7 | 18.5 | 14.6 | 7 | 1 | 16.6 | 5.3 |
| Nebraska | S | 5.9 | 71.8 | 70.2 | 7.0 | 11.6 | 13 | 32 | 6.7 | 5.4 |
| | M | 8.8 | 87.1 | 82.7 | 12.1 | 16.9 | 6 | 15 | 5.3 | 6.7 |
| | L | 9.2 | 124.7 | 106.4 | 4.0 | 12.6 | 11 | 73 | 18.3 | 8.6 |
| New Hampshire | S | 1.8 | 16.2 | 13.9 | 5.8 | 6.7 | 4 | 7 | 2.2 | .9 |
| | M | 3.6 | 20.4 | 20.4 | 9.0 | 10.5 | 4 | 7 | 2.1 | 1.5 |
| | L | 2.9 | 20.5 | 18.7 | 11.3 | 11.7 | 11 | 3 | 3.3 | .4 |
| New York | S | 6.5 | 65.3 | 51.0 | 10.2 | 9.3 | 28 | 15 | 14.3 | 5.0 |
| | M | 4.7 | 52.8 | 43.9 | 3.4 | 5.1 | 40 | 12 | 12.8 | 2.8 |
| | L | 3.3 | 55.3 | 54.6 | 8.0 | 9.4 | 58 | 61 | 4.9 | 2.6 |
| Oregon | S | 2.7 | 15.9 | 24.3 | 6.0 | 7.3 | 2 | 3 | 1.1 | 2.1 |
| | M | 2.3 | 24.9 | 14.8 | 5.5 | 8.1 | 10 | 7 | 2.6 | 1.8 |
| | L | 2.8 | 31.4 | 28.7 | 6.2 | 7.3 | 53 | 19 | 5.5 | 2.0 |
| Pennsylvania | S | 10.7 | 16.1 | 16.7 | 7.1 | 8.0 | 3 | 2 | .9 | 2.8 |
| | M | 7.9 | 16.0 | 16.6 | 7.4 | 6.5 | 4 | 2 | 2.3 | .7 |
| | L | 3.9 | 22.9 | 23.0 | 14.3 | 13.8 | 2 | 3 | 1.5 | .7 |
| South Carolina | S | 73.9 | 233.1 | 179.6 | 99.8 | 93.3 | 11 | 5 | 56.1 | 13.3 |
| | M | 49.2 | 180.2 | 136.0 | 41.1 | 30.9 | 7 | 2 | 44.2 | 30.9 |
| | L | 51.3 | 134.6 | 109.8 | 45.6 | 57.9 | 9 | 6 | 28.8 | 15.8 |
| Utah | S | 17.3 | 45.3 | 51.9 | 29.7 | 27.4 | 4 | 4 | 11.5 | 6.6 |
| | M | 20.4 | 38.0 | 39.9 | 32.9 | 33.3 | 1 | 3 | 3.7 | 3.4 |
| | L | 15.4 | 44.5 | 41.7 | 28.5 | 24.2 | 3 | 5 | 12.1 | 6.4 |
| Wisconsin | S | 3.5 | 22.9 | 19.5 | 3.5 | 6.3 | 21 | 9 | 4.7 | 3.0 |
| | M | 4.2 | 22.7 | 21.8 | 10.4 | 8.9 | 35 | 21 | 4.1 | 1.6 |
| | L | 2.9 | 26.7 | 23.4 | 11.7 | 12.9 | 28 | 9 | 3.6 | 1.3 |

Table 5.13
Model Number Seven - Proceeds Per Pupil From
A One-Mill Regional Levy

| State | Size of Region | Total Pupil Population | One-Mill Proceeds Per Pupil | Ratio of Low to High Regions within States |
|---|---|---|---|---|
| California | S | 46,148 | $10.09 | |
| | M | 245,403 | 8.88 | 1:1.2 |
| | L | 2,230,329 | 10.31 | |
| Colorado | S | 14,024 | 7.94 | |
| | M | 30,108 | 11.03 | 1:1.4 |
| | L | 259,189 | 9.43 | |
| Indiana | S | 22,963 | 8.87 | |
| | M | 54,664 | 9.53 | 1:1.2 |
| | L | 233,235 | 7.80 | |
| Iowa | S | 17,009 | 12.74 | |
| | M | 46,989 | 8.76 | 1:1.5 |
| | L | 111,578 | 8.50 | |
| Maine | S | 13,825 | 15.14 | |
| | M | 21,809 | 11.03 | 1:1.4 |
| | L | 51,454 | 13.18 | |
| Michigan | S | 33,049 | 16.18 | |
| | M | 86,648 | 13.28 | 1:1.2 |
| | L | 1,062,990 | 15.25 | |
| Minnesota | S | 22,962 | 7.38 | |
| | M | 41,584 | 10.01 | 1:1.4 |
| | L | 439,894 | 8.37 | |
| Mississippi | S | 43,163 | 4.93 | |
| | M | 61,925 | 5.54 | 1:1.5 |
| | L | 77,437 | 7.35 | |
| Nebraska | S | 8,369 | 16.90 | |
| | M | 9,504 | 11.41 | 1:1.6 |
| | L | 93,896 | 10.88 | |
| New Hampshire | S | 9,084 | 55.22 | |
| | M | 12,095 | 28.87 | 1:1.9 |
| | L | 22,500 | 34.63 | |
| New York | S | 67,160 | 15.33 | |
| | M | 168,778 | 21.36 | 1:2.0 |
| | L | 571,162 | 29.96 | |
| Oregon | S | 10,429 | 37.51 | |
| | M | 11,573 | 44.00 | 1:1.2 |
| | L | 180,191 | 35.27 | |
| Pennsylvania | S | 38,191 | 9.34 | |
| | M | 99,450 | 12.64 | 1:2.7 |
| | L | 577,157 | 25.34 | |
| South Carolina | S | 61,766 | 1.35 | |
| | M | 70,831 | 2.03 | 1:1.5 |
| | L | 131,288 | 1.94 | |
| Utah | S | 10,059 | 5.77 | |
| | M | 34,491 | 4.91 | 1:1.3 |
| | L | 126,514 | 6.51 | |
| Wisconsin | S | 34,451 | 28.96 | |
| | M | 69,604 | 23.72 | 1:1.4 |
| | L | 276,488 | 34.21 | |

within a state have equal ability to support schools. Conversely, ratios above this figure indicate disparity between regions within a state. Such states have greater needs for state aid formulas that equalize available dollar amounts. Table 5.13 illustrates such needs in some of the states in this study.

## Comparison of the Seven Models

Comparisons between various models have been made earlier in this chapter as each succeeding model was added to the list. Therefore, this summation is limited to the models four, five and six because they have much in common. Also, these three models have the greatest potential for equalization. The summation is restricted further to the three largest school districts in the forty-eight regions and five districts in each region at the tenth, thirtieth, seventieth, and ninetieth percentile according to "assessed valuation and current expenditure."

Tables 5.14, 5.15, and 5.16 summarize the expected increases and decreases in tax rates in the one hundred forty-four districts that represent the largest pupil enrollments. If Model Four were used, eighty-seven districts would experience tax decreases as follows: thirty would decrease from zero to ten percent; thirty more would decrease between ten and twenty percent; and twenty-seven decreases would exceed twenty percent. The fifty-seven districts with expected increases in tax rates would be distributed as follows: twenty-four increases would be less than ten percent; eleven would be between ten and twenty percent; and in twenty-two districts the increases would exceed twenty percent.

The analysis for Model Five shows that a greater number of the large districts would experience decreases in tax rates than was the case with Model Four. In ninety-three districts the change would result in decreases. The size of the changes would be as follows: thirty-one decreases would be less than ten percent; twenty-seven between ten and twenty percent; and the remaining thirty-five decreases would be more than twenty percent. The expected tax increases under Model Five would range from less than ten percent in fourteen districts; ten to twenty percent in eighteen districts; and the remaining nineteen districts could expect school tax increases in excess of twenty percent.

Model Six is also rather favorable to large school districts. However, the number expected to get tax decreases is smaller than in Models Four and Five. Eighty-one of the one hundred forty-four large districts could expect declines in tax rates. The decreases would be less than ten percent in fifty-one districts; between ten and twenty percent in twenty-three districts; and over twenty percent in seven districts. Sixty-three large districts would receive tax increases under Model Six. However, these increases would be below ten percent in forty-four districts. The increase would fall between ten and twenty percent in thirteen districts. The increase in the remaining six districts would exceed twenty percent. The dollar amount shifted to the regional tax base was smaller for Model Six than for Models Four and Five. For this reason alone the size of changes in tax rates would be smaller.

Table 5.14
Changes in Tax Rates Under Models Four, Five and Six
For Districts at Selected Percentiles When Ranked
According to Assessed Valuation Per Pupil

| Region | Percentile of District | Model Four | | Model Five | | Model Six | |
|---|---|---|---|---|---|---|---|
| | | Decr. | Incr. | Decr. | Incr. | Decr. | Incr. |
| Small | 90 | 1 | 15 | 0 | 16 | 0 | 16 |
| | 70 | 6 | 10 | 4 | 12 | 0 | 16 |
| | 50 | 6 | 10 | 6 | 10 | 7 | 9 |
| | 30 | 11 | 5 | 14 | 2 | 14 | 2 |
| | 10 | 10 | 6 | 12 | 4 | 14 | 2 |
| Medium | 90 | 3 | 13 | 1 | 15 | 0 | 16 |
| | 70 | 5 | 11 | 4 | 12 | 4 | 12 |
| | 50 | 6 | 9 | 7 | 8 | 7 | 8 |
| | 30 | 6 | 10 | 8 | 8 | 12 | 4 |
| | 10 | 11 | 5 | 13 | 3 | 16 | 0 |
| Large | 90 | 2 | 14 | 0 | 16 | 0 | 16 |
| | 70 | 5 | 11 | 4 | 12 | 3 | 13 |
| | 50 | 7 | 9 | 12 | 4 | 7 | 9 |
| | 30 | 10 | 6 | 12 | 4 | 15 | 1 |
| | 10 | 14 | 2 | 15 | 1 | 16 | 0 |
| Totals | 90 | 6 | 42 | 1 | 47 | 0 | 48 |
| | 70 | 16 | 32 | 12 | 36 | 7 | 41 |
| | 50 | 19 | 28 | 25 | 22 | 21 | 26 |
| | 30 | 27 | 21 | 34 | 14 | 41 | 7 |
| | 10 | 35 | 13 | 40 | 8 | 46 | 2 |

Table 5.15
Changes in Tax Rates Under Models Four, Five and Six
For Districts at Selected Percentiles When Ranked
According to Current Expenditures Per Pupil

| Region | Percentile of District | Model Four | | Model Five | | Model Six | |
|---|---|---|---|---|---|---|---|
| | | Decr. | Incr. | Decr. | Incr. | Decr. | Incr. |
| Small | 90 | 8 | 8 | 7 | 9 | 4 | 12 |
| | 70 | 7 | 9 | 6 | 10 | 5 | 11 |
| | 50 | 6 | 10 | 7 | 9 | 7 | 9 |
| | 30 | 12 | 4 | 12 | 4 | 12 | 4 |
| | 10 | 4 | 12 | 6 | 10 | 11 | 5 |
| Medium | 90 | 11 | 5 | 8 | 8 | 5 | 11 |
| | 70 | 10 | 6 | 8 | 8 | 7 | 9 |
| | 50 | 8 | 7 | 9 | 6 | 9 | 6 |
| | 30 | 8 | 8 | 9 | 7 | 10 | 6 |
| | 10 | 3 | 13 | 5 | 11 | 10 | 6 |
| Large | 90 | 7 | 9 | 4 | 12 | 1 | 15 |
| | 70 | 8 | 8 | 7 | 9 | 6 | 10 |
| | 50 | 10 | 6 | 10 | 6 | 9 | 7 |
| | 30 | 8 | 8 | 12 | 4 | 10 | 6 |
| | 10 | 5 | 11 | 7 | 9 | 14 | 2 |
| Totals | 90 | 26 | 22 | 19 | 29 | 10 | 38 |
| | 70 | 25 | 23 | 21 | 27 | 18 | 30 |
| | 50 | 24 | 23 | 26 | 21 | 25 | 22 |
| | 30 | 28 | 20 | 33 | 15 | 32 | 16 |
| | 10 | 12 | 36 | 18 | 30 | 35 | 13 |

Table 5.16
The Effects of Models Four, Five and Six for Districts
on Selected Percentiles in Each Region for Two Criteria

| | Percentile of the District | Model Four | | Model Five | | Model Six | |
|---|---|---|---|---|---|---|---|
| | | Rate Decr. | Rate Incr. | Rate Decr. | Rate Incr. | Rate Decr. | Rate Incr. |
| Criterion One<br>Assessed Valuation Per Pupil | 90 | 6 | 42 | 1 | 47 | 0 | 48 |
| | 70 | 16 | 32 | 12 | 36 | 7 | 41 |
| | 50* | 19 | 28 | 25 | 22 | 21 | 26 |
| | 30 | 27 | 21 | 34 | 14 | 41 | 7 |
| | 10 | 35 | 13 | 40 | 8 | 46 | 2 |
| Criterion Two<br>Current Expenditures Per Pupil | 90 | 26 | 22 | 19 | 29 | 10 | 38 |
| | 70 | 25 | 23 | 21 | 27 | 18 | 30 |
| | 50* | 24 | 23 | 26 | 21 | 25 | 22 |
| | 30 | 28 | 20 | 33 | 15 | 32 | 16 |
| | 10 | 12 | 36 | 18 | 30 | 35 | 13 |

*These total 47 or 44 because the medium region in Utah had only four districts and this percentile was not used.

## The Impact of Models Four, Five, and Six on Selected Districts

Most of the interest in regional taxes to support schools stems from a concern about the disparity in tax rates and school expenditures. Since Models Four, Five, and Six appear to have the greatest potential for achieving a higher level of equalization within regions, they were examined further. These models were applied to districts at the tenth, thirtieth, fiftieth, seventieth, and ninetieth percentiles in each region according to assessed valuation and current expenditure per pupil in ADA. The number of districts which could expect tax increases and decreases was tabulated for each of the selected percentiles. The results are reported in Table 5.17.

Table 5.17

The Size of Decreases and Increases in Tax Rates for the Three Largest Districts in Each Region for Models Four, Five and Six

| | Region | District | Decreases | | | Increases | | |
|---|---|---|---|---|---|---|---|---|
| | | | 0-10% | 10-20% | Over 20% | 0-10% | 10-20% | Over 20% |
| MODEL FOUR | Small | Largest | 0 | 3 | 6 | 4 | 1 | 2 |
| | | Second | 2 | 1 | 3 | 2 | 3 | 5 |
| | | Third | 3 | 2 | 5 | 2 | 1 | 3 |
| | Medium | Largest | 4 | 7 | 1 | 2 | 0 | 2 |
| | | Second | 9 | 2 | 1 | 2 | 1 | 1 |
| | | Third | 2 | 5 | 4 | 1 | 0 | 4 |
| | Large | Largest | 5 | 2 | 0 | 4 | 3 | 2 |
| | | Second | 3 | 5 | 2 | 3 | 1 | 2 |
| | | Third | 2 | 3 | 5 | 4 | 1 | 1 |
| | Total: | | 30 | 30 | 27 | 24 | 11 | 22 |
| MODEL FIVE | Small | Largest | 6 | 1 | 5 | 0 | 3 | 1 |
| | | Second | 0 | 3 | 3 | 4 | 3 | 3 |
| | | Third | 2 | 4 | 6 | 2 | 1 | 1 |
| | Medium | Largest | 4 | 5 | 3 | 1 | 1 | 2 |
| | | Second | 6 | 4 | 2 | 2 | 1 | 1 |
| | | Third | 1 | 2 | 5 | 1 | 2 | 5 |
| | Large | Largest | 4 | 2 | 2 | 3 | 1 | 4 |
| | | Second | 3 | 3 | 4 | 0 | 5 | 1 |
| | | Third | 5 | 3 | 5 | 1 | 1 | 1 |
| | Total: | | 31 | 27 | 35 | 14 | 18 | 19 |
| MODEL SIX | Small | Largest | 9 | 1 | 0 | 3 | 2 | 1 |
| | | Second | 5 | 2 | 0 | 5 | 2 | 2 |
| | | Third | 5 | 5 | 1 | 4 | 1 | 0 |
| | Medium | Largest | 7 | 0 | 0 | 7 | 2 | 0 |
| | | Second | 6 | 5 | 0 | 3 | 1 | 1 |
| | | Third | 3 | 4 | 2 | 5 | 1 | 1 |
| | Large | Largest | 3 | 2 | 0 | 10 | 0 | 1 |
| | | Second | 5 | 2 | 1 | 5 | 3 | 0 |
| | | Third | 8 | 2 | 3 | 2 | 1 | 0 |
| | Total: | | 51 | 23 | 7 | 44 | 13 | 6 |

## SUMMARY

Seven regional tax models were examined in this chapter. The stated purpose of each model was to test the degree of equalization in tax rates in 48 regions in the 16 states. The first four models provide for a shifting of a fixed percent of the dollar levy for current expenses to the region where a uniform tax would be levied. The actual shift would depend on the level of expenditures, with high cost districts receiving the greatest benefits. However, since high expenditure districts are generally above average in wealth, these districts would contribute more than others to the regional levy.

A slightly different concept was examined in Model Five. In this case, a uniform regional tax levy would produce revenue equal to the mean per pupil expenditure. Districts wishing to spend above this level would exercise local taxing power to do so.

Models Six and Seven test the effect of uniform regional tax levies, the proceeds to be distributed on a flat grant basis. One hundred dollars per pupil in ADA is used in Model Six, whereas a one-mill tax is tested in Model Seven.

The major findings of this portion of the study are summarized below. Conclusions relative to regional taxes are included in Chapter VI.

1. As expected, all of the models would result in higher taxes in some districts and lower taxes in others. However, the changes under the first three models are not as great as one might anticipate. This is so because the wealthy and poor districts alike shift a fixed percent of their tax levy to the region.

2. Using Model Four, some school districts in eight regions would have tax decreases greater than the regional levy. Stated differently, these districts now have tax rates that are more than double the required uniform rate for the region. Also, school taxes in some districts would double under Model Four.

3. Model Five, which would limit the amount that could be shifted to the regional tax base, would produce smaller changes for the high expenditure districts and greater changes for the low expenditure districts than would be the case with Model Four.

4. Districts with average expenditures and below average per pupil wealth would experience the largest tax rate decreases under Model Five.

5. Alternative tax plan Number Six, which would raise $100 per pupil in ADA at the regional level, was more significant for low expenditure districts than it was for high expenditure districts. In four regions it would account for over 60 percent of the net local effort for education.

6. The effect of the uniform one-mill tax levy, as proposed in Model Seven, would be similar to that of Model Six. However, in most states the impact would be minor when compared with the $100 per pupil in ADA as proposed in Model Six.

# CHAPTER VI

# GENERALIZATIONS TO STATE FINANCE MODELS

This study tests the proposition that there is a relationship between the pattern of district organization in a state and the financial resources available for education in local districts. In effect, this is an examination of the results of the political processes of state legislatures as they have exercised their constitutional obligation to provide for a system of public schools. The legislatures have created school districts and provided for their support through a combination of local taxes and state aids. Since legislatures retain the power to develop formulas for the distribution of state monies and delegate taxing authority to local districts, the combination can be used to accomplish any legitimate educational purpose. Specifically, this study is a search for those elements in both state and local school finance which have implications for school district organization. Also included is an examination of some related provisions for public education which seem to have an impact on school district structures, and therefore, relevance for school finance.

The conclusions which follow are organized in the same fashion as the earlier chapters in this report. Conclusions pertaining to the factors related to the equalization of educational expenditures are reported first. The principal thrust of this portion of the study was to determine the relationship between equalization and school district size, wealth, school tax rates, expenditures and foundation aid. The second portion of the conclusions is clustered around legislative provisions which are related to school district reorganization. Of interest here are bonded indebtedness, special fiscal programs, incentive aids, transportation, foundation aid programs, minimum program standards, sparsity factors, special education, legal procedures, reorganization "package", mandatory legislation, Federal intervention, and professional provisions. The final section of the conclusions pertains to the use of regional educational units as taxing agencies to support education. Seven alternative models were designed and tested. The purpose of these models was to examine the extent of equalization in tax rates and school expenditures which could be obtained through the use of uniform regional taxes to support all or a portion of that part of current school costs which were derived from local taxes.

The chapter ends with generalizations to state finance models. This final portion of the report is designed to be of maximum value to persons interested in preparing legislative packages which will achieve a high degree of equalization in tax rates and school expenditures.

## FACTORS RELATED TO EQUALIZATION IN EDUCATIONAL EXPENDITURE

1. School District Size. Extreme variation in the size of school districts as indicated by the number of students in average daily attendance or membership was evident in every state in the study. Even states with a small number of local school districts have not been successful in eliminating the small school district. For example, Utah with but forty districts has one district with 187 students.

Small districts tend to incur large per pupil expenditures. The existence of large numbers of small school districts explains, in part, the variation in educational expenditures. However, the correlation between school district size and educational costs is not very high. Of the five variables examined in the regression analysis, school district size contributed least. The null hypothesis stating there was no relationship between school district size and educational expenditures was rejected in only three of eleven tests. Furthermore, in but one case was size found to be the most important variable for the predicting of expenditures.

2. Wealth. Wealth in the sample school districts as measured by assessed valuation also showed great diversity for all types of organizational patterns. The unified district pattern clearly provides for a more equitable tax base for school purposes. It cannot be concluded, however, that the unified district pattern and/or the existence of fewer school districts has eliminated the unequal distribution of wealth.

In general, assessed valuation was the significant element in predicting expenditures. This conclusion was derived from the results of the multiple correlation analysis and also by the application of the F-test to the null hypothesis stating there is no relationship between assessed valuation and school expenditures. In ten out of eleven cases the hypothesis was rejected. In no case was a total absence of relationship found between wealth and expenditures. Further, in no case was the relationship negative in terms of the correlation coefficient. Therefore, it was concluded that wealth of the local school district was a powerful factor in determining the expenditure level. It would appear, therefore, that state support systems designed to equalize the resources available to the local district are not successful in achieving their stated purpose.

3. School Tax Rates. Considerable variation in tax rates was the norm for all types of districts. However, non-operating and elementary districts showed the greatest range with relatively high tax rates in some and absolutely no school tax levies in others.

Tax rates of the local school district were second in importance to valuation in predicting the level of expenditures for the cases studied. The results of the correlation analysis provided the basis for this conclusion. Further evidence was gained by testing the null hypothesis stating there is no relationship between school tax rates and educational expenditures. In nine out of eleven cases studied the hypothesis was rejected, indicating the importance of the variable.

The evidence presented here supports the conclusion that some school districts tax themselves at a high level to maintain a minimal per pupil expenditure. In other cases it is relatively easy for a district to raise money for high per pupil expenditures and still enjoy a low tax rate. However, the tax rate does not follow the same relationship to expenditure as does wealth. It can be concluded therefore, that the aspirations of the local community became a decisive factor in determining the extent to which the local wealth was used for educational purposes.

4. School Expenditures. Variations in expenditure patterns for local districts exist to a large degree in all states and for all types of district organizational structures. However, unified districts are more successful in reducing the amount of variation in expenditures than are non-operating, elementary or secondary districts.

States, whose overall expenditure per pupil is low do not necessarily show a high level of equalization. Likewise, states exhibiting a high degree of equalization are not necessarily spending less per pupil than states with low expenditures. Predictor models for expenditures were unique for seven of eleven cases. For the remaining four states - Colorado, Iowa, Wisconsin, and California - valuation and tax rates were the most important variables. For Colorado and Iowa valuation was the most important variable while for Wisconsin and California tax rates were most important.

5. Foundation Aid. Foundation aid did not appear to be influencing expenditure patterns in any consistent manner and was of less importance in predicting expenditure patterns than were assessed valuation and tax rates. In about one-half of the cases the relationship was positive and in the balance of the cases a negative or little relationship existed. In fact, the influence of foundation aid programs tended to be different in each state. The laws reflect the unique qualities of the several states and are the result of the political processes of the state. State finance programs may provide a fixed grant or may be based on a foundation formula. Further analysis of the correlation matrix for all variables in the study indicated that, in thirteen of the sixteen states, foundation aid was correlated in a negative manner with valuation. In seven of the thirteen cases the correlation exceeded -.85. The foundation aid program in these seven states is therefore making a contribution toward providing funds to districts which do not have access to local resources. How substantial this contribution is depends on the level in dollar value of this state aid.

## LEGISLATIVE PROVISIONS RELATED TO SCHOOL DISTRICT REORGANIZATION

6. Bonded Indebtedness. Provisions in state legislation whereby the bonded indebtedness of former component districts may be assumed by a newly formed district are most effective in encouraging school district reorganization when they provide some type of state financial assistance for debt retirement and/or provide optional procedures for presenting the vote for assumption of debt to the public in such a way that the outcome of such an election does not affect the vote on the reorganization question itself. Reorganization is discouraged if legislation makes it mandatory that the newly formed district accept the bonded debt of the component districts without any state assistance in retiring such debt. School district reorganization is encouraged in states where there is a provision granting special state aid on principal or interest incurred for debt from building construction resulting from school district reorganization.

7. Special Fiscal Programs. Special fiscal programs have served to both encourage and discourage school district reorganization. Fiscal features providing state assistance to non-operating school districts for paying tuition costs to another district have tended to discourage reorganization. Also, provisions granting special assistance for financially distressed districts discourage reorganization when they assist small, inadequate districts to exist.

On the other hand, features providing special aid assistance for financially distressed districts may encourage reorganization if they are designed: 1) to protect viable districts in temporary trouble; 2) with minimum standards for receiving such aid; 3) in such a way as to assist in eliminating the debt of districts willing to reorganize.

8. Incentive Aids. Incentive aid providing some type of "bonus" money to districts willing to reorganize is effective in stimulating reorganization activity if the dollar amount is sufficiently high to indeed be a bonus and if it is based on contemporary educational costs. If the reorganized district is in danger of losing this additional money after a period of time and this loss would create a financial hardship for the district, the bonus feature may actually discourage reorganization.

9. Transportation. State money provided for transportation aid generally encourages school district reorganization. The degree of encouragement depends to a certain extent upon the level of reimbursement and the methods used for the computation of transportation costs. In some states, for example, where upper limits for reimbursement exist, the transportation aid program tends to cancel some of the equalizing effect of the foundation aid program. In some cases neighboring districts may be reluctant to assume this additional obligation in the event of a merger. Transportation aid seems to be especially effective in situations where it provides a high percentage of the costs or where it is specifically designed to encourage certain types of reorganization. In Maine, for example, where the thrust is to encourage reorganization around municipal areas, district schools had to pay transportation costs but municipal schools did not. Colorado, where the state pays up to 70 percent of actual cost and Michigan, where the state pays up to 75 percent, serve as examples of where a high percentage support level has a strong encouraging effect on reorganization.

10. Foundation Aid Programs. As is true with special fiscal programs, foundation aid programs have features which tend to both encourage and discourage school district reorganization. Provisions built into the state's foundation program guarding against a newly formed district receiving less money in foundation aid than the total amount that the former component districts would have received had they remained independent, encourages school district reorganization.

Foundation features giving wealthy districts enough basic aid so they can operate with a low tax levy discourages reorganization with another school district, especially if this reorganization would jeopardize their favored financial position. It is also evident that provisions written into the foundation program specifically designed to financially punish small school districts are not generally used to encourage reorganization. The philosophy seems to be that "punitive" measures are not the most appropriate for districts that are already confronted with a host of financial and organizational problems.

11. Minimum Program Standards. Minimum program standards established for receiving foundation aid are generally ineffective due both to the lack of enforcement and the provisions written into the law which allow inadequate school districts to circumvent the intent of the standards. Where minimum program standards for receiving state aid are enforced, inadequate school districts are encouraged to reorganize into districts which will at least meet the criteria for receiving such aid.

12. Sparsity Factors. Foundation aid specifically containing a correction factor for sparsity of population discourages reorganization only when it perpetuates small, inadequate districts. Where reorganization is unrealistic or impossible, correction factors for sparsity should result in a large enough support program so students can receive an adequate education. Financial incentives benefiting districts of certain size or class generally are not an effective stimulant to reorganization. One of but four states reporting such a benefit indicated it had no influence, and in the other three, it was actually considered to discourage school district reorganization. If this type of financial provision is to be utilized as an incentive to reorganization it should be modeled after the former Pennsylvania provision which not only classified district by population and then paid supplemental aid on the basis of classification, but also paid additional amounts when different jointures or mergers took place.

13. Special Education. State funds made available to local school districts for purposes of carrying on special education programs seem to have no impact on reorganization. The need for special education services is becoming so generally accepted that the distribution of such aid is usually state-wide and to a great extent, nondiscriminatory. As a result, it seems to have little relevance for discussions on school district reorganization.

14. Legal Procedures. State, county, and local planning committees authorized by state legislatures to play a major role in planning for school district reorganization are important in stimulating reorganization activity.

School district reorganization is encouraged also by the removal of restrictive voting and petitioning procedures. In states where only freeholders have been allowed to petition, certain segments of the population have been effectively removed from the right to stimulate reorganization activity. State laws allowing a low percentage of the electors, e.g. ten to twenty percent, to petition for reorganization proceedings tend to encourage such reorganization. Voting procedures themselves can be a deterrent to reorganization. Statutes providing for a majority vote in each component district are more restrictive and discourage reorganization more than provisions calling for a majority vote of the combined component districts.

15. Reorganizing "Packages". Another important conclusion of this study is that only occasionally is it a single legislative provision or financial feature that is given credit for providing major impetus for school district reorganization. More often, it has been a combination of factors or a total legislative "package" that has been assembled which encourages reorganization activity. It is also evident that very similar pieces of legislation or financial features do not have the same impact in one state that they may have in another. States must develop legislative programs suitable to the situation or climate in their state.

Another conclusion is that over a period of time a certain provision does not always have the same impact. Even if a feature has a strong initial impact, it may lose its effectiveness as conditions change.

16. Mandatory Legislation. Mandatory legislation providing for the dissolution of non-operating and ungraded, one room schools has been effective in accomplishing school district reorganization. Some states have gone a step further and have added financial assistance plans to the mandatory legislation to accelerate school district reorganization.

17. Federal Intervention. Federal legislation and court action dealing with the segregation issue has influenced school district organization in certain states. This has been especially true where such issues as the structuring of school district boundary lines and the placement of school buildings within the districts have been involved. The timing of reorganization itself has also been affected. In instances where states have been forced to comply with federal regulations by a certain time limit reorganization has been encouraged. In a few instances federal action has discouraged reorganization as people have been reluctant to submit to changes in school district structure which would result in differences of a pronounced nature in the racial, social, or economic composition of their school district. This has resulted in strenuous effort being expended to circumvent reorganization procedures.

Another example where federal and state legislation has tended to encourage reorganization is found in those instances where programs requiring cooperation between districts have laid the groundwork for later consolidation. For instance, certain programs established by the Elementary and Secondary Education Act of 1965 (P.L. 89-10) have required cooperation between districts to receive special types of funds.

18. Professional Personnel Provisions. State-wide laws regarding retirement, tenure, and certification tend to encourage school district reorganization. Conversely, multiple state systems interfer with changes in school district boundaries, because the earned rights of teachers, such as equity in a retirement system, may be adversely affected. The problem is especially acute in Metropolitan areas where large cities have different provisions than the immediate surrounding districts. Combining all or part of the city with the suburbs in these cases is especially troublesome. Also, school consolidations across state boundaries are extremely difficult because of tenure certification and retirement. Again, Metropolitan areas are genuinely affected.

Federal monies distributed through programs for impacted areas often adversely affect school district organization. In some instances tiny federally supported districts have been created. In other cases the federal dollars have given existing districts some financial advantage over their neighbors and thus discouraged reorganization.

REGIONAL EDUCATION AGENCIES

19. School district reorganization has been extensive in a large majority of states since World War II with a broader tax base and a larger pupil population as primary objectives. The intermediate school unit has been restructured during that same period to broaden the pupil population base for specialized educational services. After an examination of the effects of various tax plans in this study it is clear that a broader tax base could be utilized through a regional organization to reduce the disparities in resources available at the local level that would preserve the identity and the autonomy of the local district.

20. Economic planning regions created within states since 1966 are useful for educational purposes. These regions escape many of the limitations that are characteristic of county and intermediate units because they are larger and include Standard Metropolitan Statistical Areas. It seems appropriate that educational planning for natural socio-economic units should include complete Standard Metropolitan Statistical Areas. For the purposes of this study it was judged that the economic planning regions were feasible units to use as regional tax bases.

21. The greatest variation in assessed valuation per pupil between districts within regional areas was found in rural areas in some states and in urban areas in others. This evidence suggests the existence of tax havens in both urban and rural regions and that both areas contain serious disparities in resources available for education. Local districts which were making the greatest effort to support schools could benefit from regional tax plans as tested in the six models in this study. An examination of the potential changes in tax rates indicates that the size of the decreases would exceed the size of the increases.

22. In Model Five, which permitted a shift to the region of costs that fell below the weighted mean of the region, a larger number of districts experienced tax decreases than models one through four, in which a part or all local costs were shifted to the regional tax base. Low expenditure districts were forced to help pay a greater share of the high levels of expenditure in other districts under models one, two, three, and four, whereas, the high expenditure districts, under model five, paid a greater share of the costs in the low expenditure districts. Without a ceiling on the costs that were shifted to the region, low expenditure districts experienced increases in tax rates without any increases in available resources at the local level.

23. Equalization of resources was an objective of the examined models as well as an objective of the existing state aid programs. An analysis of changes in tax rates on property (the major revenue resource for local districts) for models four, five, and six showed a greater direct relationship to assessed valuations than to state aid payments. This seems to indicate that state aid payments equalize resources to a lesser degree within a region than did the tax plans under consideration.

24. Sixty percent, of the 144 districts representing the three largest districts in each region, experienced decreases in tax rates for tax plan number four. Sixty-five percent of these same districts experienced decreases under tax plan five and fifty-six had decreases under tax plan six. Considering the relationship of the total pupil populations in these districts to the total pupil population in the respective regions it appeared that a majority of the pupils would be benefited if any one of the three tax plans four, five or six were to be implemented.

25. Model Five, which permitted a shift to the region of costs that fell below the weighted mean for the region, resulted in greater tax relief for the low expenditure districts than it did for the high expenditure districts. Therefore, it was determined that the adoption of tax plan five would best achieve the objective of raising the resources behind each pupil in the low expenditure districts where the needed resources were most limited.

26. The property tax base was not evenly distributed from region to region within the states. It appears, therefore, that true equalization of resources for each pupil would have to be accomplished through state aid distribution systems. These systems, in order to compensate for the existing inequities, would require minimum and maximum aid payments that would fully recognize the total range or variation in the combined local and regional resources available for each pupil.

27. School District Reorganization in Metropolitan Areas. A vast array of legal provisions, administrative regulations, and financial factors all but preclude any district reorganization which combines all or any part of a large city school district with a nearby suburb. For example, the Constitution in Colorado states that the City and County of Denver shall forever be one school district. Since the annexation of incorporated villages and towns in Colorado is difficult to achieve (especially when school districts are also affected), a constitutional change would be needed to make major revisions in school district boundaries.

Density factors for large cities provide additional revenue which is often needed; however, it weakens the case for school district reorganization. Cities can no longer qualify for density aid in some states when more sparsely populated suburbs are included in the calculations.

Inadequate categorial aids for high cost programs, such as compensatory education, discourage reorganizations involving central cities. Since there is normally a concentration of need for such programs in central cities per pupil unit costs may be exorbitantly high.

GENERALIZATIONS TO STATE FINANCE MODELS

This study has far ranging implications for educators and legislators desiring to make intelligent decisions in enacting legislation effective in stimulating school district reorganization. The findings support the conclusion that only occasionally is it a single legislative provision or financial feature that is given credit for providing major impetus for school district reorganization in those states maintaining any degree of local autonomy in regard to the reorganization process. Emphasis must be placed on developing a total legislative program or "package" which includes not only workable and understandable reorganization laws, but also financial incentives or inducements appropriate for the specific problems in each state. This last point cannot be over emphasized. It may be appropriate to adopt model laws and finance features judged effective in other states, but it is of utmost importance that they be modified to meet the particular needs of a state.

A state wishing to revise its legislative program to encourage school district reorganization may want to give consideration to the following guidelines:

1. The current legislative program should be thoroughly examined to determine its effect on school district reorganization. Perhaps the basic framework for a good legislative program already exists and with just a few modifications can be improved upon to the point where it stimulates reorganization. At the very least, those provisions which retard or discourage reorganization must be revised.

2. State and local reorganization committees or commissions should be established to provide leadership and organization to the reorganization process. In states where they have been established and given some actual authority, reorganization has been stimulated. The law should specifically define the responsibility of such groups as well as for other people officially involved in the reorganization process.

3. Statewide studies should be undertaken by either established commissions or professional agencies to determine the extent of the reorganization problem. From these comprehensive studies a master plan should evolve taking into consideration state as well as local needs.

4. Legislation should be easily interpreted by all concerned people, lay as well as professional, and should be easy to implement.

5. The regulations developed for the process of reorganization should be clearly defined. Criteria and minimum standard should not only be clearly understood, but must be enforced if they are to be effective.

6. The development of plans, criteria for reorganization, and eventual legislation should involve maximum citizen participation on a state and local level.

7. Equitable voting procedures should be established. The criteria should not discriminate against any group of people nor should it give more voting strength to certain districts. Principles of the "one man one vote" concept should be followed.

8. Reorganization should result in an equalization of school support throughout the state as much as geographically possible.

9. Those states wishing to encourage reorganization through the use of finance features may want to avoid the following:

    a. Non-resident tuition aid which allows non-operating districts to send their students to district operating schools for less money than it would take to maintain their own schools;
    b. Aid to distressed districts in sufficient amount to allow them to maintain schools when the question exists as to whether or not they should continue to operate;
    c. Minimum standards for receiving state aids that are not enforced, thus providing aid to inadequate school districts;
    d. Features that allow insufficient districts to circumvent the law and still receive aid;
    e. Sparsity correction factors that perpetuate small, inadequate districts.

10. Those states wishing to encourage reorganization through the use of finance features may want to utilize in some way variations of the following incentives:

    a. Optional provisions for assumption of bonded debt including some degree of state support in retiring the debt incurred before reorganization by component districts;

b. Building aid for debt incurred from school construction resulting from reorganization;
c. Distressed district aid designed to assist viable, but financially troubled districts resulting from reorganization;
d. Bonus aid for reorganized districts based on per pupil allotment;
e. Transportation aid designed to cover a high percentage of the actual costs or specifically encourage a certain type of reorganization;
f. Provisions written into the foundation program guaranteeing a newly reorganized district no less aid than the total amount that would have been received by the component districts had they remained independent.

11. State governments should exert political pressure on Federal agencies to have impacted area funds distributed through regular state aid channels. The present system distorts school district structures, and upsets equalization plans in affected states.

12. Any legislation involving the use of incentive features must maintain these features at a high enough support level so they are indeed attractive enough to encourage reorganization. The dollar amounts must be based on realistic cost figures and should be increased as the economy demands. The same can be said for the basic legislation. Laws maintain their effectiveness only as they are appropriate for contemporary conditions. School district reorganization legislation must be kept current to be effective; stagnant legislation will impede the process of reorganization and contribute to the problem of inadequate school district organization.

13. Caution must be expressed against the use of regional taxes as substitutes for appropriate levels of state support. This warning is important because in most instances both local school districts and regional units will rely upon _ad valorem_ taxes for revenue. Since this tax is notoriously regressive and badly administered, an over dependence on it would compound existing injustices. It is no tautology to insist that the purpose of regional taxes is to achieve equality in tax rates and educational expenditures--not a diminution of state support for schools.

The interaction between state aid distribution systems and the distribution of the revenue from regional taxes is crucial, if greater equalization is to be achieved. The models tested in this study are based on the assumption that the revenue from uniform regional taxes would be distributed to local districts on the number of pupils in ADA. The state aid available to such districts would be calculated in the same manner as now exists. In other words, the revenue from the regional levy would replace a portion of the local revenues (Models 1, 2, 3, 4, and 5) or would be added to the combination of state aid and local receipts (Models 6 and 7). All of the models would thus provide local school boards with the option of reducing local tax rates or increasing school expenditures.

Other assumptions about the relationship between state aids and regional taxes are clearly possible. For example, the legislature could establish the following model:

STATE AID = (FOUNDATION PROGRAM - REGIONAL SHARE) x EQUALIZATION FACTOR

Given a foundation program of a realistic level (always a worthy goal) and a state equalization factor that would insure a genuine local effort (also a worthy goal), this model would achieve maximum cooperation between the agencies responsible for levying regional taxes and legislative appropriations for schools.

## RECOMMENDATIONS FOR FURTHER STUDY

As mentioned previously, shifts in population, changes in economic factors, and technological advances result in a wide-spread and continuing need for school district reorganization. As a result, this study merely sheds light on a few specific dimensions of the reorganization question. The fact that special emphasis has been placed on the impact of money incentives, aid payments, and related financial inducements designed to encourage school district reorganization in only a sample of states has further delimited the scope of this study. Not only must continual research be conducted in the area of this study, but other dimensions of the reorganization process must be examined. For example, what social and political forces are active in state and local communities that encourage or discourage school district reorganization? It was reported in the review of the literature that in some political and social factors have been a real influence in school district reorganization. To what extent and in what way have these factors encouraged or discouraged reorganization, needs further exploration?

Another dimension that needs examination is the role played by the various State Departments of Education in regard to school district reorganization. Have they played a leadership role in encouraging school district reorganization? If not, why? What role does the commissioner or state superintendent play? Is there a need for increased leadership by state department personnel in stiumlating reorganization?

It is easy to recommend that reorganization should result in an equalization of school support throughout the state as much as realistically possible, but the problems of accomplishing this seems to be immense. A worthwhile study would be to determine how the cost of education can be fairly distributed in order to reduce inequality of tax burdens and yet assure each student of a quality education through equalization of per pupil expenditures.

Although this study has been primarily concerned with how reorganization can be encouraged through permissive and semipermissive legislation, the fact remains that some states have accomplished reorganization by mandating out of existence certain types of districts. Other states have mandated a complete reorganization by dissolving all of the school districts in the state and imposing a completely new structure. Research is needed in this area in order to answer questions such as:

a) Why was this type of legislation adopted?
b) Why isn't it done more often and by more states?
c) What different geographical, social and political conditions exist between those states where mandatory legislation has been enacted and those where the legislation is permissive or semi-permissive?

d) What type of district structure exists in those states which have mandated reorganization?
e) What are the distinquishing advantages or disadvantages of the districts in these states?

One other area of consideration that needs further examination is the role to be played by the regional unit in further school district reorganization. Is the regional unit a viable supplement to the local school district structure? Given taxing power, can the regional unit solve some of the financial problems of the local district in operating schools or providing certain services? Research in this area may lead to solutions to some of the financial and organizational problems of small and inadequate districts that heretofore were considered solvable only through local school district reorganization.

## GLOSSARY OF TERMS

ADMINISTRATIVE UNIT - A geographic area which, for specified public school purposes, is under the supervision or control of a single board of education and/or administration officer. This may be a state, intermediate, or local basic unit.[1]

ATTENDANCE AREA - An administrative unit or subdivision of it consisting of the territory from which children legally may attend a given school building or school center.[2]

COEFFICIENT OF VARIATION - A derived statistic for use in comparing different but similarly constructed distributions. It is defined as the ratio of the standard deviation of a distribution to the mean of the distribution and is expressed as a percentage.

COMMON SCHOOL - An obsolescent designation for the traditional 8-year public elementary school providing a foundation program for education.

CONSOLIDATED SCHOOL DISTRICT - A term limited in some states to districts, usually rural, maintaining a single attendance unit while in other states it applies to any school district serving territory once served by two or more districts.

COUNTY SCHOOL DISTRICT - A unit of school administration in which school affairs of the county as a whole (sometimes with specified exceptions) are controlled by a county board of education.

COUNTY SUPERINTENDENT - An elected or appointed administration officer in a county who is charged with the general supervision of specified schools in the respective counties of the state in regard to matters of government, courses of instruction and general conditions of the schools in the county.

DISSOLUTION OF DISTRICT - The breaking up of a consolidation through legal process, with a return of each district that formed the original consolidation to the independent status that existed before the consolidation took place.

EFFORT - This is the difference between expenditures and state aids on a per pupil basis. In some cases it is expressed as a "mill" rate relative to assessed value per pupil. Current effort is current expenditure minus current state aid. Total effort is total expenditure minus total state aid.

ELEMENTARY SCHOOL DISTRICT - A school district for which no provision is made for public school work beyond the elementary grades.

EQUALIZING AIDS - Aids which are distributed by formulas and procedures giving recognition to local financial ability and seek to raise the level of expenditures for education in the less wealthy districts while providing proportionately greater financial assistance to the less wealthy districts.[3]

FLAT GRANT AIDS - Aids which are usually allocated to all participating districts on an equal basis without regard to local financial ability.

These aids are usually called matching or reimbursement and seek to raise the level of expenditures in all districts, both rich and poor.[3]

GENERAL PURPOSE AIDS - Aids which are allocated to boards of education with very little instruction as to the use to be made of the funds. The local board of education is at liberty to use the funds for the general program of education. No exact purpose is specified in the legislation other than the requirement to use the money for providing a program of education in the community.[3]

HIGH SCHOOL DISTRICT - A district organized and administered to provide education in the secondary level only.

INCENTIVE AIDS - A general purpose or special purpose aid which is provided to districts which reorganize and meet such minimum standards as may be established by the state as part of the law or through the state department of education.

INTERMEDIATE ADMINISTRATIVE UNIT - A unit smaller than the state which exists primarily to provide consultation, advisory, or statistical services to local basic administrative units or to exercise certain regulatory and inspectoral functions over local basic administrative units. An intermediate unit may operate schools and contract for school services, but it does not exist primarily to render such services. Such units may or may not have taxing power.[4]

LOCAL BASIC ADMINISTRATIVE UNIT - An administrative unit at the local level which exists primarily to operate public schools or to contract for public school services. Normally, taxes can be levied against such units for school purposes. These units may or may not be coterminous with county, city, or town boundaries. This term is used synonymously with the term "school district".[1]

NON-OPERATING SCHOOL DISTRICT - A district which has failed to maintain a public school for a specified amount of time.

REGULATORY FUNCTION - A function performed by some level of school administration to insure that the rules and regulations for the operations of schools within a state are carried out in the schools operating within the jurisdiction of the respective administrative unit.

REVENUE RECEIPTS - Additions to assets which do not incur an obligation that must be met at some future date and do not represent exchanges of property for money.[5]

SCHOOL DISTRICT REORGANIZATION - The act of legally changing the designation of a school district; changing the geographical area of a school district or incorporating a part or all of a school district with an adjoining district.[2]

SCHOOL SYSTEM - All the schools operated by a given board of education or central administrative authority.[2]

SCHOOL UNION - A joining of two or more local school units (districts, township, or town for example) for some educational purpose such as maintenance of an enlarged attendance unit, supervisory unit, or administrative unit or for the provision of special services.[2]

SERVICE FUNCTION - A function performed by some level of school administration to enhance or extend the educational services available to schools or pupils within the jurisdiction of the administrative unit.

SPECIAL PURPOSE AIDS - Identifies the aids approved by laws which indicate the exact purpose for which money shall be expended by local board of education or for which the money is provided. Funds may be allocated to local school boards to help with expenditures for transportation, for the physically handicapped children, for rehabilitation of school buildings, for adult education, for textbooks, for health services, and for school lunches.[3]

SPECIAL SCHOOL DISTRICT - A school district incorporated by a special act of the state legislature.[2]

STATE AID FOR EDUCATION - Any grant made by a state government for the support of education.[6]

SUPERVISORY UNION - An administrative unit used in the New England states and New York to permit two or more local administrative units to be served by the same chief administrative officer. For all practical purposes the basic units within the supervisory union maintain their separate identities for all purposes except in this sharing of a school administrator.[2]

UNIFIED SCHOOL DISTRICT - A school district providing a public school program from kindergarten or grade 1 to grade 12.[2]

WEIGHTED MEAN - As used in this study the weighted mean current expenditure in a region is the ratio of the total of all monies spent on current expenditures by all districts in the region to the total A.D.A. in the region.

## FOOTNOTES

[1] United States Department of Health, Education and Welfare, Standard Terminology for Instruction in Local and State School Systems, (Washington, D.C.: USOE, 1967).

[2] Dictionary of Education, Second Edition, Carter V. Good, Ed. McGraw-Hill Book Company, Inc. New York, 1959.

[3] Hutchins, Clayton D. and Munse, Albert R., Public School Finance Program of the United States, Washington, D.C., U.S. Government Printing Office, 1955 (U.S. Department of Health, Education, and Welfare, Office of Education, Misc. No. 22).

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[4] United States Office of Education, The Common Core of State Educational Information, State Educational Records and Reports Series Handbook I (Washington, D.C.: USOE, 1953).

[5] Reason, Paul L., Foster, Emery M. and Will, Robert F., The Common Core of State Educational Information, Washington, D.C., U.S. Government Printing Office, 1953. (U.S. Department of Health, Education, and Welfare, Office of Education, State Educational Records and Reports Series: Handbook I, Bulletin, 1953, No. 3).

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# APPENDIX A

## NATIONAL EDUCATIONAL FINANCE PROJECT

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Kern Alexander, Associate Director

Richard Rossmiller, Finance Specialist

Floyd Christian, Commissioner of Education
Florida, Administering State

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University of California

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|  | Lloyd L. Hogan, New York |
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| J. H. Warf, Tennessee | T. B. Webb, Tennessee |
| J. W. Edgar, Texas | Warren Hitt, Texas |
| T. H. Bell, Utah | Walter D. Talbot, Utah |

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U. S. Office of Education
Harry Phillips
James Gibbs

## APPENDIX B

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| Connecticut | Maurice J. Ross |
| Delaware | Edward J. Moynohan |
| Florida | Elridge R. Collins |
| Georgia | O. H. Joiner |
| Idaho | Allen P. Jeffries |
| Illinois | A. K. Evans |
| Indiana | Gerald C. Carmony |
| Iowa | D. J. Gilliland |
| Kansas | U. H. Budd |
| Kentucky | James Melton |
| Louisiana | George B. Benton, Jr. |
| Maine | Asa A. Gordon |
| Maryland | Dr. Q. L. Earhart |
| Massachusetts | Dr. Everett G. Thistle |
| Michigan | Roger Boline |
| Minnesota | S. Walter Harvey |
| Mississippi | W. S. Griffin |
| Missouri | H. Kenneth Kirchner |
| Montana | John P. Campbell |
| Nebraska | M. L. Christensen |
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| New Hampshire | William B. Baston |
| New Jersey | Edward W. Kilpatrick |
| New Mexico | Leonard DeLayo |
| New York | Francis E. Griffin |
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| Oklahoma | Dr. Charles L. Weber |
| Oregon | Lloyd Thomas |
| Pennsylvania | Dr. Herbert E. Bryan |
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| South Carolina | R. W. Burnette |
| South Dakota | James C. Schooler |
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| Utah | Dr. Maurice Barnett |
| Vermont | Daniel G. O'Connor |
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| Washington | Norman Westline |
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| Wyoming | Lewis Finch |

# APPENDIX C

## PROJECT STAFF - UNIVERSITY OF MINNESOTA

Clifford P. Hooker, Project Director, is Chairman of the Division of Educational Administration at the University of Minnesota. Former positions include: Acting Assistant Superintendent of Schools, Minneapolis; Assistant Dean, School of Education, University of Pittsburgh; and Visiting Professor, University of Southern California, Los Angeles. His writings include: Equal Treatment to Equals, A New Structure for Public Schools in the Kansas City and St. Louis Metropolitan Areas and Cooperation Among School Districts in a Metropolitan Area: A Case Study, Chapter XV, 1968 NSSE Yearbook. Professor Hooker has served on the faculty at the University of Minnesota for the past twelve years. His Ed.D. degree was earned at Indiana University.

Van D. Mueller, associate director of this project, has been on the faculty of the University of Minnesota since 1964, and currently holds the position of Associate Professor and Assistant Chairman in the Division of Educational Administration. His writings include co-authorship of Equal Treatment to Equals - A New Structure for Public Schools in the Kansas City and St. Louis Metropolitan Areas and Cooperative Federalism - A Model for the Organization of Education in Metropolitan Areas. He has served as a teacher and administrator in the public schools, State Department of Education finance consultant, and as a consultant to local and state education agencies. Dr. Mueller received the Ed.D. degree from Michigan State University in 1964.

The following Research Assistants at the University of Minnesota have contributed to the project:

John Feda has served as high school teacher, high school principal and superintendent of schools in Minnesota for nineteen years. He received his B.A. from St. John's University and his M.A. from the University of Minnesota. His masters thesis topic was "Reorganization of the Forty-four Elementary Districts in the Alexandria High School Area." Currently he is completing his Doctor of Education Degree at the University of Minnesota. His thesis topic is "An Analysis of Intermediate Units as School Property Tax Bases to Meet the Fiscal Disparities Found in the Support of Education."

James Lindsay was, prior to this assignment, a member of the faculty of the College of St. Thomas, where he designed and was chairman of the Department of Quantitative Methods. He was also Director of the Computing Center. After completing his Doctor of Philosophy in Education he will work full-time as a management consultant. Mr. Lindsay received his undergraduate training at the University of Glasgow, Scotland, and worked in industry in that country before coming to the U.S.A. in 1959. During the past few years of his tenure at the College of St. Thomas, he acted as a consultant to management and to the Industrial Relations Center of the University of Chicago and was involved in several national and international studies.

David L. Wettergren is currently on leave of absence from the school district of Rochester, Minnesota, where he serves as a junior high school principal. Mr. Wettergren received his B.A. from Gustavus Adolphus College in 1961 and his M.A. from the University of Minnesota in 1966. In addition to both teaching and administrative experience he has served as an Interm Principal at Mayo High School, Rochester, under sponsorship of the National Association of Secondary School Principals. Currently he is completing his Doctor of Education Degree at the University. His thesis topic is "An Analysis of Selected State Legislation that has Encouraged School District Reorganization."

John Young is on sabbatical leave from Hopkins, Minnesota, School District No. 274. For the past ten years he has been employed by the school district as Director of Business Affairs. He received a B.A. Degree in Business Administration from the University of Minnesota in 1958. In 1964 and 1969 Master of Arts Specialist Degrees were received in Educational Administration. Mr. Young is currently pursuing the Ed.D Program. The subject of his thesis is "A Study of the Equalization of Education Costs and Selected Variables."

# APPENDIX D

## SAMPLING PROCEDURES

Early in the project it was realized that it would be impossible to do any worthwhile in-depth study of all 48 contiguous states. After collecting the data reported in Part I of this two part publication several criteria were established on which a sample of states would be selected. The following are some of the primary factors considered:

1. Fiscal provisions including incentive aids for school district reorganization
2. Fiscal capacity of school districts within states
3. Sparsity and density population
4. Progress (or lack of) in reducing number of school districts within the state
5. Historical development of school district organization in the state
6. Geographical and topographical considerations
7. Sophistication of regional organization within the state
8. Level of state support for education
9. Method of allocation of state funds to local districts
10. Availability of data on individual school districts within the state.

With these criteria in mind the following states were selected for inclusion in the sample:

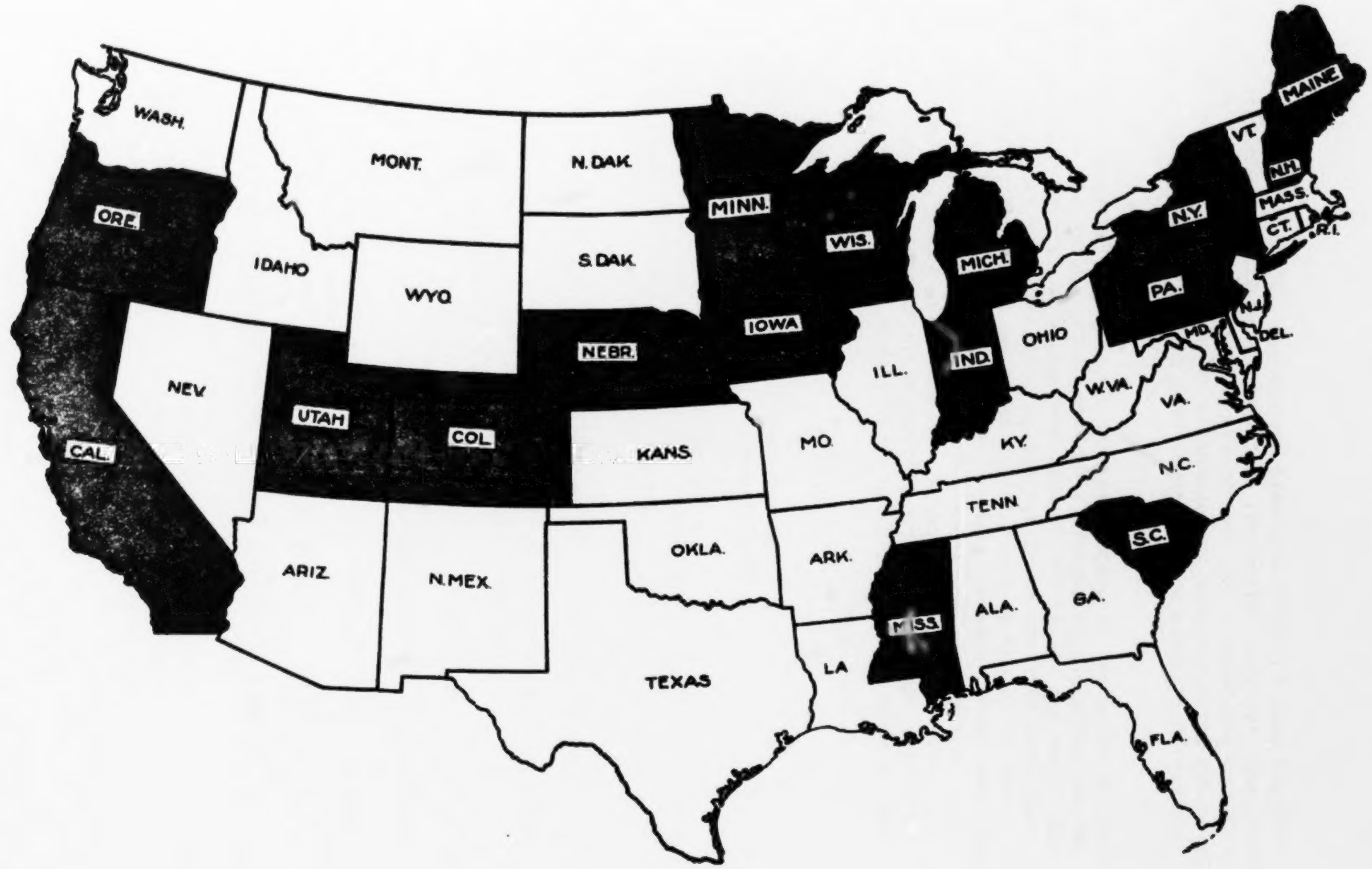
CALIFORNIA
COLORADO
INDIANA
IOWA
MAINE
MICHIGAN
MINNESOTA
MISSISSIPPI

NEBRASKA
NEW HAMPSHIRE
NEW YORK
OREGON
PENNSYLVANIA
SOUTH CAROLINA
UTAH
WISCONSIN

Map D1 shows the geographic distribution of these states. Some of the states were selected on the basis of satisfying only a few of the criterion. For example, Oregon was included because of the existence of a framework for collecting taxes on a regional basis. Utah has had the same number of districts ever since it became a state and was included for this reason and also for its foundation aid program. The above average rate of growth of pupil population and existence of three types of districts, elementary, secondary and unified were the criteria on which selection of California was made. The existence of supervisory unions argued for the inclusion of New Hampshire and Maine. Both were included because they satisfied others of the criteria listed above.

The project staff were satisfied that these sixteen states provided the widest possible range of experiences in approaches to organizing and financing education at the local and state level. Mississippi had a reduction of approximately 97% in its number of school districts in the period 1948-68. New Hampshire shows an increase of around 21% in secondary districts over the same period.

Map D-1 - Sample States


WASH.
MONT.
N. DAK.
MINN.
WIS.
MICH.
N.Y.
VT.
MAINE
N.H.
MASS.
CT.
R.I.
ORE.
IDAHO
WYO.
S. DAK.
PA.
N.J.
DEL.
MD.
NEBR.
IOWA
ILL.
IND.
OHIO
W.VA.
VA.
NEV.
UTAH
COL.
KANS.
MO.
KY.
CAL.
TENN.
N.C.
S.C.
OKLA.
ARK.
ARIZ.
N.MEX.
MISS.
ALA.
GA.
TEXAS
LA
FLA.

Nebraska has more one-teacher schools than the rest of the sample put together. Wisconsin has tried all three forms of legislation, mandatory, permissive and the use of financial incentives.

The state agency in each of the sixteen sample states was visited at least once by project staff members. Financial reports and other reports were collected from the agency and the data on each of the school districts considered were compiled from these reports.

Selection of Districts Within the Sample States.

For the fiscal year 1967-68, the year that was chosen for the detailed study, the sample states reported a total of 9,194 districts in existence. The number in individual states ranged from 40 in Utah to 2172 in Nebraska. Rather than draw as a sample a fixed number from each state independent of the total number of districts within the state it was agreed to use the method normally associated with samples drawn from finite populations for purposes of extracting information that can be recorded as a proportion.

The formula used is:

$$E^2 = t^2 \cdot \frac{P\,(1-P)}{n} \cdot \frac{(N-n)}{N}$$

Where E is allowable error in sample proportion
t is t-value associated with percentage confidence
P is expected probability
N is population size
and n is required sample

In computing the sample size for each type of district the following were used:

$E = .08$
$t = 2$
$P = \frac{1}{2}$

Thus $E^2 = t^2 \cdot \frac{P\,(1-P)}{n} \cdot \frac{(N-n)}{N}$ reduces to $n = \frac{N}{.0064N + 1}$

A graph was developed using the above formula and the necessary sample sizes read off.

Table D1 shows the final number of districts used in the analysis in each state. Each type of district within each state was treated as a separate population. Thus the minimal acceptance level of the developed formation is the same for each of the 30 different sub groups within the 2,702 districts in the total sample.

### TABLE D-1

### SAMPLING PLAN FOR SIXTEEN SAMPLE STATES

| State | Total Number Of Districts | Total Sample | Unified | | Secondary | | Elementary | | Non-Operating | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Total | Sample | Total | Sample | Total | Sample | Total | Sample |
| California | 1088 | 286 | 229 | 94 | 121 | 61 | 738 | 131 | 0 | 0 |
| Colorado | 181 | 81 | 178 | 81 | 0 | 0 | 3 | 0 | 0 | 0 |
| Indiana | 380 | 134 | 332 | 105 | 3 | 0 | 45 | 29 | 0 | 0 |
| Iowa | 456 | 117 | 455 | 117 | 0 | 0 | 1 | 0 | 0 | 0 |
| Maine | 307 | 140 | 116 | 58 | 3 | 0 | 131 | 58 | 57 | 24 |
| Michigan | 712 | 293 | 541 | 220 | 0 | 0 | 147 | 73 | 24 | 0 |
| Minnesota | 1134 | 241 | 428 | 107 | 0 | 0 | 698 | 134 | 8 | 0 |
| Mississippi | 148 | 77 | 148 | 77 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nebraska | 2172 | 382 | 324 | 107 | 19 | 19 | 1400 | 141 | 429 | 115 |
| New Hampshire | 183 | 77 | 162 | 77 | 2 | 0 | 5 | 0 | 14 | 0 |
| New York | 936 | 247 | 728 | 247 | 4 | 0 | 48 | 0 | 156 | 0 |
| Oregon | 36 | 188 | 149 | 73 | 31 | 29 | 181 | 86 | 5 | 0 |
| Pennsylvania | 499 | 108 | 499 | 108 | 0 | 0 | 0 | 0 | 0 | 0 |
| South Carolina | 105 | 61 | 105 | 61 | 0 | 0 | 0 | 0 | 0 | 0 |
| Utah | 40 | 40 | 40 | 40 | 0 | 0 | 0 | 0 | 0 | 0 |
| Wisconsin | 487 | 230 | 372 | 172 | 16 | 16 | 83 | 42 | 16 | 0 |
| TOTALS | 9194 | 2702 | 4806 | 1744 | 199 | 125 | 3480 | 694 | 709 | 13 |

Except for the inclusion of the largest districts (to ensure the maximum possible student representation within the districts studied) the majority of the districts were chosen at random using a table of random numbers and numbering the districts as they appeared on state agency reports. The largest districts were defined to be those above a minimum size. Table D-2 gives these minimums for each state except Utah where all of the districts were included for analysis.

TABLE D-2

Minimum Size - Inclusive for "Large" Districts

| State | Minimum Size | % of the sample above this minimum |
|---|---|---|
| California | 6000 | 57 |
| Colorado | 3000 | 30 |
| Indiana | 3000 | 33 |
| Iowa | 3000 | 19 |
| Maine | 600 | 31 |
| Michigan | 3000 | 36 |
| Minnesota | 3000 | 15 |
| Mississippi | 6000 | 19 |
| Nebraska | 600 | 10 |
| New Hampshire | 600 | 65 |
| New York | 6000 | 22 |
| Oregon | 3000 | 12 |
| Pennsylvania | 6000 | 14 |
| South Carolina | 6000 | 50 |
| Wisconsin | 1200 | 40 |

Of the total sample 28% fell into the group defined as being largest in the state.

To permit ease of analysis the data gathered from the various state agency reports were reduced to a dollar amount per pupil unit either A.D.A. or A.D.M. Within each state the use of A.D.A. or A.D.M. was consistent. The comparison of data across state lines was done using derived parameters so the use of both A.D.A. and A.D.M. did not cause problems. The distribution of values of both the numbers of students in attendance and assessed value behind each pupil was such that the use of the figures in raw form would have caused difficulties in computation and the evaluation of the correlations and linear regression models. A proxy measure, the natural logarithm of each value raised to third power was therefore used.

## REGIONAL UNITS

The sample of regional units was drawn from the same sixteen states as the above described sample. Different criteria were developed to identify the population within each state. Already existing regional units and/or economic planning units were identified in each state and pupil enrollment was computed for each region. The regions within each state were stratified into three strata according to size. With the exception of New York state where the Long Island planning unit was used the largest region in terms of students enrolled was chosen to represent our stratum. The choice of regions from the other two strata was influenced by the need for representation of different geographical areas within each state. The maps to be found in Chapter V of this volume give visual representation of the distribution of the units finally chosen.

# APPENDIX E

# SUMMARY OF VARIABLES

Table E-1.--California (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighting Mean |
|---|---|---|---|---|---|
| Students | 5-23,982 | 931 | 4486 | 5849 | - |
| Valuation/Student | $535-416,231 | $13,762 | $39,469 | $80,171 | $10,314 |
| Total Tax Rate (Mills) | .36-5.50 | 2.29 | 2.39 | .72 | 2.85 |
| Current Tax Rate (Mills) | .36-5.50 | 2.01 | 2.06 | .64 | 2.43 |
| Expenditure/Student: | | | | | |
| Transportation | $0-581 | $17 | $38 | $73 | $11 |
| Current | 231-3130 | 523 | 617 | 335 | 529 |
| Capital and Debt | 0-1333 | 56 | 81 | 146 | 56 |
| Total | 340-4129 | 583 | 698 | 425 | 584 |
| State Aid/Student: | | | | | |
| Foundation | $99-1400 | $247 | $264 | $130 | $268 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 99-1400 | 247 | 264 | 130 | 268 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-10 | 0 | 25 | 1.43 | .20 |
| Total Aid | 99-1400 | 249 | 264 | 130 | 268 |
| Effort Index | | | | | |
| Total | .01-6.92 | 2.70 | 2.58 | 1.34 | - |
| Current | .01-6.18 | 2.12 | 2.11 | 1.14 | - |

Sample: Size 131
Total Students 587,654

Table E-2.--California (Secondary)

| Variables | Range | Median | Mean | Standard Deviation | Weighting Mean |
|---|---|---|---|---|---|
| Students | 211-20038 | 3127 | 5609 | 5634 | - |
| Valuation/Student | $17,083-220,690 | $35,210 | $47,941 | $40,457 | 32,164 |
| Total Tax Rate Mills | .75-3.25 | 1.94 | 1.91 | .53 | 2.18 |
| Current Tax Rate (Mills) | .75-2.74 | 1.70 | 1.65 | .43 | 1.84 |
| Expenditure/Student: | | | | | |
| Transportation | $4-275 | $25 | $34 | $40 | $19 |
| Current | 601-1669 | 766 | 824 | 200 | 765 |
| Capital and Debt | 36-973 | 139 | 162 | 122 | 159 |
| Total | 726-1957 | 901 | 986 | 247 | 925 |
| State Aid/Student: | | | | | |
| Foundation | $129-624 | $264 | $269 | $99 | $297 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 129-624 | 264 | 269 | 99 | 297 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-36 | 0 | .90 | 5 | .20 |
| Total Aid | 129-624 | 264 | 270 | 99 | 297 |
| Effort Index | | | | | |
| Total | .68-5.10 | 1.84 | 1.86 | .61 | - |
| Current | .52-2.24 | 1.47 | 1.41 | .41 | - |

Sample: Size 61
Total Students 336,357

Table E-3.--California (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighting Mean |
|---|---|---|---|---|---|
| Students | 3569-643128 | 12513 | 26021 | 67288 | - |
| Valuation/Student | $3578-26054 | $8580 | $9474 | $4414 | $10,389 |
| Total Tax Rate (Mills) | 2.64-6.69 | 4.47 | 4.51 | .78 | 4.32 |
| Current Tax Rate (Mills) | 1.82-6.09 | 3.73 | 3.78 | .67 | 3.66 |
| Expenditure/Student: | | | | | |
| Transportation | $2-38 | $11 | $14 | $8 | $10 |
| Current | 481-1009 | 597 | 618 | 335 | 629 |
| Capital and Debt | 3-199 | 69 | 72 | 36 | 73 |
| Total | 543-1134 | 671 | 690 | 107 | 702 |
| State Aid/Student: | | | | | |
| Foundation | $148-387 | $289 | $275 | $64 | $262 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 148-387 | 289 | 275 | 64 | 262 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-35 | 0 | .77 | 4 | 2 |
| Total Aid | 148-387 | 291 | 275 | 63 | 264 |
| Effort Index | | | | | |
| Total | 2.47-7.03 | 4.64 | 4.64 | .97 | - |
| Current | 1.71-6.22 | 3.67 | 3.79 | .77 | - |

Sample: Size 94
Total Students 2,445,971

Table E-4.--Colorado (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 77-88016 | 690 | 4770 | 12221 | - |
| Valuation/Student | $2,031-37,651 | $9,612 | $11,984 | $6,710 | $8,877 |
| Total Tax Rate (Mills) | 20.00-61.18 | 36.71 | 36.26 | 10.33 | 46.32 |
| Current Tax Rate (Mills) | 12.60-4704 | 28.51 | 28.49 | 8.61 | 37.76 |
| Expenditure/Student: | | | | | |
| Transportation | $0-168 | $37 | $49 | $41 | $13 |
| Current | 380-1273 | 657 | 678 | 168 | 591 |
| Capital and Debt | 5-316 | 84 | 89 | 51 | 80 |
| Total | 406-1351 | 751 | 768 | 190 | 671 |
| State Aid/Student: | | | | | |
| Foundation | $16-301 | $130 | $140 | $53 | $106 |
| Transportation | 0-117 | 19 | 29 | 28 | 6 |
| Current Aid | 76-424 | 195 | 214 | 70 | 156 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 2-48 | 5 | 7 | 8 | 8 |
| Total Aid | 79-424 | 202 | 220 | 69 | 164 |
| Effort Index | | | | | |
| Total | 12.50-88.90 | 49.50 | 49.84 | 16.72 | - |
| Current | 11.20-74.70 | 42.10 | 42.16 | 13.96 | - |

Sample: Size 81
Total Students 386,401

Table E-5.--Indiana (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 140-2645 | 320 | 503 | 526 | - |
| Valuation/Student | $3313-133546 | $7760 | $13024 | $23440 | $10,765 |
| Total Tax Rate (Mills) | .63-5.84 | 3.60 | 3.69 | 1.41 | 4.31 |
| Current Tax Rate (Mills) | .55-5.15 | 3.60 | 3.47 | 1.21 | 3.84 |
| Expenditure/Student: | | | | | |
| Transportation | $1-132 | $62 | $65 | $28 | $51 |
| Current | 322-706 | 442 | 444 | 86 | 439 |
| Capital and Debt | 0-281 | 19 | 32 | 54 | 29 |
| Total | 332-1706 | 617 | 676 | 243 | 670 |
| State Aid/Student: | | | | | |
| Foundation | $0-247 | $168 | $157 | $56 | $167 |
| Transportation | 0-69 | 34 | 37 | 33 | 28 |
| Current Aid | 0-288 | 204 | 194 | 70 | 195 |
| Capital Debt | 0-47 | 43 | 41 | 11 | 42 |
| Miscellaneous | 3-65 | 8 | 11 | 11 | 10 |
| Total Aid | 63-349 | 255 | 246 | 68 | 247 |
| Effort Index | | | | | |
| Total | 1.18-9.98 | 4.54 | 4.63 | 2.21 | - |
| Current | .52-6.62 | 2.81 | 2.95 | 1.22 | - |

Sample: Size 29
Total Students 14,951

Table E-6.--Indiana (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 178-97573 | 2366 | 5859 | 11146 | - |
| Valuation/Student | $3642-32610 | $8261 | $8698 | $3319 | $8996 |
| Total Tax Rate (Mills) | 2.82-7.53 | 4.94 | 5.00 | .95 | 4.99 |
| Current Tax Rate (Mills) | 2.20-6.04 | 4.04 | 4.10 | .79 | 4.07 |
| Expenditure/Student: | | | | | |
| Transportation | $0-142 | $34 | $35 | $24 | $20 |
| Current | 357-689 | 487 | 493 | 57 | 516 |
| Capital and Debt | 0-690 | 68 | 106 | 119 | 151 |
| Total | 421-1372 | 609 | 651 | 150 | 730 |
| State Aid/Student: | | | | | |
| Foundation | $0-250 | $175 | $175 | $30 | $173 |
| Transportation | 0-74 | 15 | 17 | 13 | 8 |
| Current Aid | 0-323 | 190 | 191 | 37 | 181 |
| Capital Debt | 0-49 | 42 | 42 | 4 | 42 |
| Miscellaneous | 3-31 | 15 | 15 | 5 | 19 |
| Total Aid | 73-370 | 247 | 249 | 35 | 242 |
| Effort Index | | | | | |
| Total | 1.05-9.96 | 4.17 | 4.50 | 1.71 | - |
| Current | 1.96-6.21 | 3.57 | 3.59 | .71 | - |

Sample: Size 105
Total Students 615,184

Table E-7.--Iowa (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 258-46033 | 931 | 2843 | 5858 | - |
| Valuation/Student | $4718-23926 | $10596 | $11193 | $3555 | $8735 |
| Total Tax Rate (Mills) | 31.64-80.32 | 48.92 | 48.00 | 8.09 | 52.83 |
| Current Tax Rate (Mills) | 29.22-80.14 | 43.72 | 43.54 | 7.93 | 47.21 |
| Expenditure/Student: | | | | | |
| Transportation | $3-110 | $46 | $44 | $22 | $21 |
| Current | 460-945 | 626 | 637 | 97 | 587 |
| Capital and Debt | 4-134 | 22 | 27 | 18 | 24 |
| Total | 476-989 | 656 | 664 | 104 | 611 |
| State Aid/Student: | | | | | |
| Foundation | $107-205 | $159 | $157 | $19 | $160 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 107-205 | 159 | 157 | 19 | 160 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 107-205 | 159 | 157 | 19 | 160 |
| Effort Index | | | | | |
| Total | 28.68-88.00 | 45.90 | 47.83 | 11.02 | - |
| Current | 26.70-79.70 | 43.40 | 45.27 | 10.17 | - |

Sample: Size 117
Total Students 332,646

Table E-8.--Maine (Non-Operating)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 1-210 | 16 | 27 | 34 | - |
| Valuation/Student | $4054-340,000 | $26988 | $49941 | $80415 | $15,918 |
| Total Tax Rate (Mills) | 0-45.20 | 13.84 | 16.34 | 11.65 | 25.01 |
| Current Tax Rate (Mills) | 0-45.20 | 12.88 | 16.20 | 11.65 | 24.92 |
| Expenditure/Student: | | | | | |
| Transportation | $0-768 | $133 | $205 | $280 | $107 |
| Current | 0-2147 | 168 | 282 | 251 | 134 |
| Capital and Debt | 0-38 | 0 | 4 | 11 | 5 |
| Total | 0-1427 | 630 | 606 | 501 | 519 |
| State Aid/Student: | | | | | |
| Foundation | $0-685 | $175 | $201 | $190 | $257 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-685 | 175 | 201 | 190 | 257 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-167 | 0 | 15 | 44 | 4 |
| Total Aid | 61-685 | 253 | 248 | 195 | 261 |
| Effort Index | | | | | |
| Total | .10-42.80 | 15.20 | 17.23 | 11.52 | - |
| Current | .10-8.20 | .10 | 2.33 | 2.96 | - |

Sample: Size 24
Total Students 683

Table E-9.--Maine (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 9-1555 | 128 | 163 | 214 | - |
| Valuation/Student | $4205-45451 | $10446 | $13986 | $9639 | $11,323 |
| Total Tax Rate (Mills) | 9.30-46.43 | 25.93 | 27.75 | 8.88 | 30.30 |
| Current Tax Rate (Mills) | 9.30-44.44 | 25.10 | 25.11 | 7.82 | 27.05 |
| Expenditure/Student: | | | | | |
| Transportation | $0-348 | $66 | $81 | $57 | $62 |
| Current | 211-1043 | 407 | 450 | 163 | 391 |
| Capital and Debt | 0-194 | 27 | 30 | 34 | 39 |
| Total | 316-1500 | 662 | 719 | 243 | 642 |
| State Aid/Student: | | | | | |
| Foundation | $0-786 | $235 | $238 | $292 | $204 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-786 | 235 | 238 | 292 | 204 |
| Capital Debt | 0-24 | 0 | .40 | 3 | .20 |
| Miscellaneous | 0-8 | 0 | .27 | 1 | .70 |
| Total Aid | 0-786 | 235 | 242 | 295 | 206 |
| Effort Index | | | | | |
| Total | 7.40-86.10 | 40.10 | 40.95 | 16.69 | - |
| Current | .10-37.70 | 14.10 | 14.48 | 8.34 | - |

Sample: Size 58
Total Students 9588

Table E-10.--Maine (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 155-13583 | 1361 | 1971 | 2177 | - |
| Valuation/Student | $3697-50167 | $11446 | $14312 | $9071 | $13,964 |
| Total Tax Rate (Mills) | 11.15-50.92 | 32.47 | 31.02 | 8.28 | 31.81 |
| Current Tax Rate (Mills) | 8.83-40.92 | 27.40 | 27.03 | 6.95 | 27.66 |
| Expenditure/Student: | | | | | |
| Transportation | $3-93 | $24 | $28 | $18 | $21 |
| Current | 292-662 | 461 | 456 | 68 | 456 |
| Capital and Debt | 0-146 | 51 | 48 | 32 | 52 |
| Total | 323-747 | 519 | 514 | 86 | 512 |
| State Aid/Student: | | | | | |
| Foundation | $45-352 | $92 | $115 | $66 | $92 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 46-352 | 97 | 118 | 65 | 96 |
| Capital Debt | 0-33 | 1 | 5 | 8 | 8 |
| Miscellaneous | 0-6 | 0 | 1 | 2 | 1 |
| Total Aid | 47-352 | 102 | 125 | 66 | 105 |
| Effort Index | | | | | |
| Total | 9.60-57.80 | 32.00 | 31.79 | 9.50 | - |
| Current | 4.50-55.10 | 28.70 | 27.63 | 8.96 | - |

Sample: Size 58
Total Students 114,290

Table E-11.--Michigan (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 7-5050 | 31 | 204 | 699 | - |
| Valuation/Student | $4,692-83,940 | $12,663 | $14,693 | $11,432 | 9,542 |
| Total Tax Rate (Mills) | 3.28-30.51 | 12.20 | 12.81 | 4.40 | 22.18 |
| Current Tax Rate (Mills) | 2.78-23.51 | 11.00 | 11.78 | 3.82 | 16.91 |
| Expenditure/Student: | | | | | |
| Transportation | $0-377 | $5 | $42 | $67 | $37 |
| Current | 171-1392 | 389 | 421 | 195 | 511 |
| Capital and Debt | 0-449 | 10 | 37 | 63 | 90 |
| Total | 179-1841 | 422 | 465 | 242 | 601 |
| State Aid/Student: | | | | | |
| Foundation | $61-373 | $197 | $188 | $87 | $297 |
| Transportation | 0-243 | 18 | 30 | 34 | 19 |
| Current Aid | 0-380 | 228 | 218 | 90 | 315 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-380 | 228 | 218 | 90 | 315 |
| Effort Index | | | | | |
| Total | .10-48.10 | 15.60 | 16.99 | 10.64 | - |
| Current | .10-39.80 | 12.90 | 14.12 | 8.70 | - |

Sample: Size 73
Total Students 15,237

Table E-12.--Michigan (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 179-295907 | 2820 | 5710 | 20678 | - |
| Valuation/Student | 5250-54741 | 12240 | 13993 | 6737 | $15,354 |
| Total Tax Rate (Mills) | 10.00-32.60 | 18.50 | 19.25 | 5.03 | 21.43 |
| Current Tax Rate (Mills) | 4.00-29.32 | 14.40 | 14.37 | 5.32 | 17.40 |
| Expenditure/Student: | | | | | |
| Transportation | $0-89 | $32 | $31 | $19 | $16 |
| Current | 404-951 | 556 | 570 | 97 | 630 |
| Capital and Debt | 16-331 | 110 | 106 | 82 | 104 |
| Total | 491-1153 | 658 | 681 | 124 | 733 |
| State Aid/Student: | | | | | |
| Foundation | $13-409 | $256 | $257 | $57 | $254 |
| Transportation | 0-39 | 14 | 14 | 10 | 6 |
| Current Aid | 14-410 | 270 | 270 | 56 | 260 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 14-410 | 270 | 270 | 56 | 260 |
| Effort Index | | | | | |
| Total | 13.33-78.40 | 30.30 | 31.56 | 8.88 | - |
| Current | 8.60-49.30 | 21.40 | 22.08 | 6.05 | - |

Sample: Size 220
Total Students 1,474,930

Table E-13.--Minnesota (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 6-219 | 19 | 35 | 39 | - |
| Valuation/Student | $3,077-253,188 | $18,395 | $25,993 | $32,113 | 19,061 |
| Total Tax Rate (Mills) | 0-165.00 | 42.00 | 48.10 | 27.00 | 6.25 |
| Current Tax Rate (Mills) | 0-165.00 | 40.00 | 441 | 238 | 5.29 |
| Expenditure/Student: | | | | | |
| Transportation | $0-660 | $105 | $118 | $92 | $119 |
| Current | 322-2,010 | 567 | 606 | 240 | 590 |
| Capital and Debt | 0-389 | 0 | 19 | 58 | 41 |
| Total | 304-2,000 | 587 | 644 | 276 | 667 |
| State Aid/Student: | | | | | |
| Foundation | $10-653 | $186 | $200 | $95 | $225 |
| Transportation | 0-182 | 63 | 67 | 35 | 71 |
| Current Aid | 41-502 | 253 | 266 | 108 | 295 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-195 | 15 | 20 | 43 | 18 |
| Total Aid | 41-508 | 274 | 275 | 117 | 313 |
| Effort Index | | | | | |
| Total | .10-86.90 | 16.50 | 19.69 | 14.07 | - |
| Current | .10-91.00 | 15.50 | 18.42 | 12.69 | - |

Sample: Size 134
Total Students 4,780

Table E-14.--Minnesota (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 159-76314 | 1100 | 5211 | 10179 | - |
| Valuation/Student | $2,004-18,743 | $6,529 | $7,118 | $3,147 | $8,141 |
| Total Tax Rate (Mills) | 89.00-390.00 | 152.00 | 157.20 | 46.60 | 149.55 |
| Current Tax Rate (Mills) | 42.00-356.00 | 108.00 | 114.66 | 42.60 | 109.15 |
| Expenditure/Student: | | | | | |
| Transportation | $2-80 | $38 | $34 | $17 | $21 |
| Current | 412-848 | 538 | 545 | 68 | 544 |
| Capital and Debt | 23-194 | 87 | 90 | 31 | 84 |
| Total | 494-890 | 621 | 635 | 76 | 628 |
| State Aid/Student: | | | | | |
| Foundation | $124-307 | $220 | $214 | $48 | $204 |
| Transportation | 0-48 | 26 | 24 | 12 | 12 |
| Current Aid | 125-345 | 243 | 237 | 49 | 216 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-179 | 28 | 33 | 29 | 42 |
| Total Aid | 151-481 | 272 | 270 | 60 | 258 |
| Effort Index | | | | | |
| Total | 10.20-93.20 | 51.40 | 51.85 | 16.76 | - |
| Current | 10.50-91.80 | 45.00 | 45.90 | 14.34 | - |

Sample: Size 107
Total Students 557,623

Table E-15.--Mississippi (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 739-35572 | 3028 | 4262 | 4449 | - |
| Valuation/Student | $1,719-11,971 | #3,727 | $4,557 | $2,066 | $5,630 |
| Total Tax Rate (Mills) | 20.75-42.00 | 31.00 | 30.37 | 4.37 | 30.20 |
| Current Tax Rate (Mills) | 18.00-32.00 | 25.00 | 25.27 | 2.37 | 25.12 |
| Expenditure/Student: | | | | | |
| Transportation | $0-75 | $27 | $26 | $17 | $19 |
| Current | 259-484 | 334 | 340 | 49 | 345 |
| Capital and Debt | 1-118 | 25 | 30 | 24 | 35 |
| Total | 269-591 | 364 | 370 | 63 | 380 |
| State Aid/Student: | | | | | |
| Foundation | $133-223 | $171 | $173 | $21 | $164 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 159-238 | 185 | 188 | 19 | 183 |
| Capital Debt | 0-44 | 2 | 6 | 9 | 7 |
| Miscellaneous | 1-52 | 5 | 8 | 10 | 6 |
| Total Aid | 179-270 | 199 | 201 | 23 | 195 |
| Effort Index | | | | | |
| Total | 14.20-83.70 | 36.60 | 38.91 | 13.45 | - |
| Current | 16.30-77.30 | 32.20 | 36.36 | 13.47 | - |

Sample: Size 77
Total Students 328,140

Table E-16.--Nebraska (Non-Operating)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 1-157 | 12 | 18 | 21 | - |
| Valuation/Student | $7671-357,000 | $23,786 | $33,770 | $39,478 | $22,533 |
| Total Tax Rate (Mills) | 2.50-41.90 | 16.80 | 17.79 | 8.18 | 17.88 |
| Current Tax Rate (Mills) | 2.50-41.90 | 16.80 | 17.79 | 8.18 | 17.85 |
| Expenditure/Student: | | | | | |
| Transportation | $0-1771 | 0 | $50 | $177 | $20 |
| Current | 0-3028 | 281 | 331 | 298 | 243 |
| Capital and Debt | 0 | 0 | 0 | 0 | 0 |
| Total | 0-3028 | 281 | 331 | 298 | 243 |
| State Aid/Student: | | | | | |
| Foundation | $0-243 | 0 | $15 | $33 | $11 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-243 | 0 | 15 | 33 | 11 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-243 | 0 | 15 | 33 | 11 |
| Effort Index | | | | | |
| Total | .10-36.20 | 11.00 | 12.01 | 7.17 | - |
| Current | .10-36.20 | 11.00 | 12.01 | 7.17 | - |

Sample: Size 115
Total Students 2,029

Table E-17.--Nebraska (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 2-141 | 16 | 27 | 26 | - |
| Valuation/Student | $8718-177000 | $36,727 | $42,761 | $25,227 | $32,677 |
| Total Tax Rate (Mills) | 6.16-57.72 | 22.32 | 23.02 | 7.93 | 26.86 |
| Current Tax Rate (Mills) | 6.16-51.72 | 22.23 | 22.56 | 7.67 | 25.73 |
| Expenditure/Student: | | | | | |
| Transportation | $0-148 | $0 | $15 | $30 | $20 |
| Current | 0-4210 | 518 | 599 | 390 | 512 |
| Capital and Debt | 0 | 0 | 0 | 0 | 0 |
| Total | 200-4213 | 516 | 626 | 418 | 530 |
| State Aid/Student: | | | | | |
| Foundation | 0-320 | $44 | $53 | $39 | $35 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-320 | 44 | 53 | 39 | 35 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-320 | 44 | 53 | 39 | 35 |
| Effort Index | | | | | |
| Total | 4.20-45.20 | 13.80 | 15.28 | 7.38 | - |
| Current | 3.90-43.50 | 13.20 | 14.78 | 7.15 | - |

Sample: Size 141
Total Students 3,782

Table E-18.--Nebraska (Secondary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 35-473 | 92 | 138 | 113 | - |
| Valuation/Student | $46,632-285,478 | $86,608 | $100,966 | $55,019 | $86,067 |
| Total Tax Rate (Mills) | n/a | n/a | n/a | n/a | 15.38 |
| Current Tax Rate (Mills) | 8.00-28.66 | 12.25 | 14.30 | 6.46 | 12.24 |
| Expenditure/Student: | | | | | |
| Transportation | $0-304 | 0 | $27 | $73 | $25 |
| Current | 569-2050 | 1167 | 1211 | 382 | 1014 |
| Capital and Debt | 0-333 | 49 | 85 | 92 | 68 |
| Total | 647-3851 | 1273 | 1422 | 726 | 1149 |
| State Aid/Student: | | | | | |
| Foundation | $0-130 | $49 | $56 | $40 | $46 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-130 | 49 | 56 | 40 | 46 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-130 | 49 | 56 | 40 | 46 |
| Effort Index | | | | | |
| Total | 7.60-32.40 | 13.50 | 14.90 | 6.79 | - |
| Current | 5.60-35.90 | 11.90 | 13.75 | 7.90 | - |

Sample: Size 19
Total Students 2,626

Table E-19.--Nebraska (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 97-57272 | 391 | 1729 | 6214 | - |
| Valuation/Student | $3641-49,466 | $11,359 | $13,267 | $6,952 | $10,457 |
| Total Tax Rate (Mills) | 16.00-80.80 | 48.00 | 49.23 | 12.67 | 55.79 |
| Current Tax Rate (Mills) | 14.03-74.10 | 43.08 | 43.52 | 11.81 | 45.31 |
| Expenditure/Student: | | | | | |
| Transportation | $0-132 | $28 | $34 | $29 | $ 9 |
| Current | 399-1174 | 597 | 631 | 145 | 550 |
| Capital and Debt | 0-112 | 16 | 23 | 21 | 12 |
| Total | 428-1162 | 639 | 664 | 150 | 582 |
| State Aid/Student: | | | | | |
| Foundation | $4-62 | $19 | $21 | $10 | $22 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 4-62 | 19 | 21 | 10 | 22 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 4-62 | 19 | 21 | 10 | 22 |
| Effort Index | | | | | |
| Total | 11.50-97.70 | 51.00 | 50.44 | 18.49 | - |
| Current | 10.30-96.90 | 48.70 | 48.80 | 17.76 | - |

Sample: Size 107
Total Students 184,993

Table E-20.--New Hampshire (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 23-12448 | 991 | 1432 | 1872 | - |
| Valuation/Student | $14268-122,351 | $30,160 | $37,958 | $20,799 | $35,098 |
| Total Tax Rate (Mills) | 7.10-36.36 | 19.39 | 18.98 | 6.25 | 18.89 |
| Current Tax Rate (Mills) | 3.25-30.02 | 15.36 | 15.10 | 5.66 | 13.30 |
| Expenditure/Student: | | | | | |
| Transportation | $9-160 | $31 | $40 | $31 | $26 |
| Current | 364-858 | 513 | 527 | 91 | 520 |
| Capital and Debt | 0-925 | 101 | 153 | 159 | 201 |
| Total | 412-1429 | 639 | 679 | 184 | 721 |
| State Aid/Student: | | | | | |
| Foundation | 0-170 | $5 | $35 | $45 | $23 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-170 | $5 | 35 | 45 | 23 |
| Capital Debt | 0-68 | 13 | 17 | 14 | 19 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-180 | 35 | 52 | 47 | 41 |
| Effort Index | | | | | |
| Total | 5.70-43.00 | 18.50 | 18.87 | 7.62 | - |
| Current | 5.70-25.90 | 14.90 | 14.71 | 4.43 | - |

Sample: Size 77
Total Students 109,852

Table E-21.--New York (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 89-1,024,762 | 2192 | 8143 | 65092 | - |
| Valuation/Student | $4,755-161,174 | $21,087 | $28,663 | $23,639 | $35,799 |
| Total Tax Rate (Mills) | 6.04-27.79 | 17.53 | 17.85 | 4.50 | 17.44 |
| Current Tax Rate (Mills) | .27-35.35 | 12.87 | 12.90 | 5.07 | 13.30 |
| Expenditure/Student: | | | | | |
| Transportation | $0-259 | $48 | $53 | $31 | $34 |
| Current | 638-2,707 | 1,048 | 1,120 | 277 | 1,129 |
| Capital and Debt | 0-788 | 101 | 111 | 76 | 125 |
| Total | 693-3,001 | 1,172 | 1,231 | 313 | 1,254 |
| State Aid/Student: | | | | | |
| Foundation | $55-1521 | $547 | $535 | $238 | $450 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 55-1521 | 547 | 535 | 238 | 450 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-523 | 31 | 40 | 42 | 20 |
| Total Aid | 166-1,570 | 583 | 574 | 187 | 470 |
| Effort Index | | | | | |
| Total | 8.20-79.20 | 24.10 | 25.63 | 9.45 | - |
| Current | 3.40-72.90 | 22.00 | 22.37 | 8.05 | - |

Sample: Size 247
Total Students 2,018,615

Table E-22.--Oregon (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 2-5179 | 97 | 354 | 729 | - |
| Valuation/Student | $8,711-881,277 | $34,894 | $75,114 | $120,280 | $30,595 |
| Total Tax Rate (Mills) | n/a | n/a | n/a | n/a | n/a |
| Current Tax Rate (Mills) | 2.20-31.28 | 12.91 | 12.83 | 5.86 | 16.33 |
| Expenditure/Student: | | | | | |
| Transportation | $0-667 | $38 | $77 | $110 | $31 |
| Current | 380-4,412 | 617 | 808 | 568 | 606 |
| Capital and Debt | n/a | n/a | n/a | n/a | n/a |
| Total | 380-4,412 | 617 | 808 | 568 | 606 |
| State Aid/Student: | | | | | |
| Foundation | $34-653 | $132 | $161 | $86 | $143 |
| Transportation | 0-430 | 22 | 41 | 62 | 15 |
| Current Aid | 34-996 | 179 | 202 | 123 | 158 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-43 | 2 | 6 | 10 | 4 |
| Total Aid | 36-996 | 179 | 203 | 110 | 160 |
| Effort Index | | | | | |
| Total | | (Not Computed) | | | |
| Current | .10-31.30 | 13.10 | 12.74 | 6.03 | -- |

Sample: Size 86
Total Students 30,421
n/a = not available

Table E-23.--Oregon (Secondary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 29-3949 | 654 | 1016 | 1088 | - |
| Valuation/Student | $22,804-201,762 | $38,419 | $46,009 | $32,485 | $35,529 |
| Total Tax Rate (Mills) | n/a | n/a | n/a | n/a | n/a |
| Current Tax Rate (Mills) | .89-19.47 | 13.04 | 13.32 | 3.42 | 13.93 |
| Expenditure/Student: | | | | | |
| Transportation | $10-172 | $40 | $52 | $35 | $35 |
| Current | 611-1100 | 759 | 768 | 122 | 703 |
| Capital and Debt | n/a | n/a | n/a | n/a | n/a |
| Total | 611-1100 | 759 | 768 | 122 | 703 |
| State Aid/Student: | | | | | |
| Foundation | $49-331 | $191 | $188 | $63 | $193 |
| Transportation | 5-633 | 244 | 46 | 114 | 18 |
| Current Aid | 54-920 | 212 | 235 | 145 | 211 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-42 | 7 | 10 | 9 | 10 |
| Total Aid | 54-920 | 222 | 244 | 144 | 221 |
| Effort Index | | | | | |
| Total | | (Not Computed) | | | |
| Current | .80-20.00 | 13.20 | 13.52 | 3.47 | - |

Sample: Size 29
Total Students 29,457
n/a = not available

Table E-24.--Oregon (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 93-72066 | 1170 | 3597 | 9131 | - |
| Valuation/Student | $16,670-208,893 | $31,698 | $42,359 | $32,224 | $35,875 |
| Total Tax Rate (Mills) | n/a | n/a | n/a | n/a | n/a |
| Current Tax Rate (Mills) | 3.96-28.95 | 15.73 | 15.60 | 5.17 | 14.28 |
| Expenditure/Student: | | | | | |
| Transportation | $0-146 | $35 | $40 | $25 | $19 |
| Current | 489-1,328 | 680 | 731 | 150 | 636 |
| Capital and Debt | n/a | n/a | n/a | n/a | n/a |
| Total | 489-1,328 | 680 | 731 | 150 | 636 |
| State Aid/Student: | | | | | |
| Foundation | 4-316 | 137 | 156 | 49 | $148 |
| Transportation | 1-74 | 18 | 21 | 14 | 10 |
| Current Aid | 5-325 | 169 | 177 | 48 | 158 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 1-31 | 1 | 4 | 6 | 2 |
| Total Aid | 5-325 | 171 | 181 | 47 | 160 |
| Effort Index | | | | | |
| Total | | (Not Computed) | | | |
| Current | 3.90-29.60 | 15.80 | 15.66 | 5.21 | - |

Sample: Size 73
Total Students 262,563
n/a = not available.

Table E-25.--Pennsylvania (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 51-245701 | 2332 | 5793 | 23406 | - |
| Valuation/Student | $4,935-60,078 | $15,414 | $17,341 | $10,538 | $21,458 |
| Total Tax Rate (Mills) | 5.54-32.12 | 20.99 | 21.17 | 5.23 | 19.10 |
| Current Tax Rate (Mills) | .48-56.04 | 14.27 | 14.33 | 5.49 | 14.40 |
| Expenditure/Student: | | | | | |
| Transportation | $2-118 | $33 | $36 | $22 | $23 |
| Current | 471-1031 | 587 | 607 | 92 | 717 |
| Capital and Debt | 0-315 | 98 | 101 | 136 | 82 |
| Total | 471-1347 | 697 | 695 | 182 | 800 |
| State Aid/Student: | | | | | |
| Foundation | $0-638 | $369 | $350 | $178 | $402 |
| Transportation | 0 | 0 | 0 | 0 | 0 |
| Current Aid | 0-638 | 369 | 365 | 178 | 402 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 0-638 | 369 | 365 | 178 | 402 |
| Effort Index | | | | | |
| Total | 5.50-32.10 | 21.00 | 21.40 | 4.71 | - |
| Current | 3.90-24.60 | 14.20 | 14.02 | 3.55 | - |

Sample: Size 108
Total Students 634,711

Table E-26.--South Carolina (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 487-51766 | 5950 | 7667 | 8542 | - |
| Valuation/Student | $469-5617 | $1489 | $1549 | $894 | $1673 |
| Total Tax Rate (Mills) | 23.00-93.00 | 60.00 | 60.83 | 14.61 | 63.55 |
| Current Tax Rate (Mills) | 23.00-79.00 | 55.00 | 54.57 | 11.69 | 56.16 |
| Expenditure/Student: | | | | | |
| Transportation | $0-10 | $6 | $5 | $3 | $4 |
| Current | 287-470 | 375 | 376 | 43 | 385 |
| Capital and Debt | 4-231 | 40 | 48 | 38 | 56 |
| Total | 305-689 | 426 | 437 | 77 | 460 |
| State Aid/Student: | | | | | |
| Foundation | $143-230 | $176 | $175 | $14 | $175 |
| Transportation | 0-8 | 3 | 3 | 3 | 3 |
| Current Aid | 172-261 | 209 | 203 | 28 | 210 |
| Capital Debt | 0-31 | 0 | 3 | 8 | 6 |
| Miscellaneous | 0 | 0 | 0 | 0 | 0 |
| Total Aid | 181-281 | 223 | 225 | 21 | 228 |
| Effort Index | | | | | |
| Total | 10.00-99.70 | 19.20 | 32.22 | 27.75 | - |
| Current | 10.00-99.80 | 21.20 | 40.42 | 34.63 | - |

Sample: Size 61
Total Students 464,238

Table E-27.--Utah (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 187-57873 | 2303 | 7055 | 11485 | - |
| Valuation/Student | $2,831-25,573 | $5,983 | $6,947 | $3,825 | $5,728 |
| Total Tax Rate (Mills) | 33.80-59.00 | 50.98 | 50.25 | 4.77 | 53.48 |
| Current Tax Rate (Mills) | 23.00-34.87 | 28.45 | 29.37 | 2.56 | 30.48 |
| Expenditure/Student: | | | | | |
| Transportation | $2-75 | $18 | $24 | $17 | $12 |
| Current | 449-1,177 | 545 | 580 | 158 | 500 |
| Capital and Debt | 10-290 | 105 | 102 | 56 | 101 |
| Total | 581-1,586 | 799 | 840 | 228 | 736 |
| State Aid/Student: | | | | | |
| Foundation | $4-667 | $306 | $315 | $120 | $277 |
| Transportation | 1-51 | 13 | 17 | 13 | 8 |
| Current Aid | 40-711 | 319 | 338 | 127 | 289 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 2-25 | 6 | 8 | 5 | 6 |
| Total Aid | 55-735 | 327 | 346 | 129 | 295 |
| Effort Index | | | | | |
| Total | 22.70-98.60 | 67.50 | 58.82 | 26.70 | - |
| Current | 10.00-56.20 | 35.60 | 36.44 | 6.60 | - |

Sample: Size 40
Total Students 282,215

Table E-28.--Wisconsin (Elementary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 22-1956 | 156 | 338 | 434 | - |
| Valuation/Student | $23,006-225,880 | $56,773 | $78,413 | $55,004 | $73,076 |
| Total Tax Rate (Mills) | 3.01-21.03 | 9.66 | 9.93 | 4.62 | 11.60 |
| Current Tax Rate (Mills) | 1.90-17.73 | 7.69 | 8.49 | 4.13 | 10.07 |
| Expenditure/Student: | | | | | |
| Transportation | $0-148 | $51 | $58 | $34 | $53 |
| Current | 236-1,187 | 539 | 566 | 198 | 670 |
| Capital and Debt | 0-233 | 50 | 65 | 70 | 97 |
| Total | 236-1,364 | 591 | 632 | 237 | 770 |
| State Aid/Student: | | | | | |
| Foundation | $0-124 | $34 | $35 | $19 | $44 |
| Transportation | 0-43 | 11 | 13 | 11 | 11 |
| Current Aid | 0-127 | 47 | 49 | 20 | 55 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-26 | 4 | 6 | 7 | 10 |
| Total Aid | 9-129 | 51 | 54 | 21 | 64 |
| Effort Index | | | | | |
| Total | 1.60-19.30 | 8.40 | 9.56 | 4.81 | - |
| Current | 1.60-15.90 | 7.60 | 8.46 | 4.04 | - |

Sample: Size 42
Total Students 14,189

Table E-29.--Wisconsin (Secondary)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 29-2209 | 673 | 754 | 523 | - |
| Valuation/Student | $29,872-201,610 | $82,827 | $96,236 | $43,842 | $105,639 |
| Total Tax Rate (Mills) | 4.32-17.53 | 9.27 | 9.28 | 3.18 | 8.90 |
| Current Tax Rate (Mills) | 3.59-17.19 | 7.74 | 8.23 | 3.18 | 7.91 |
| Expenditure/Student: | | | | | |
| Transportation | $6-147 | $60 | $61 | $30 | $63 |
| Current | 559-1,101 | 774 | 785 | 151 | 802 |
| Capital and Debt | 0-200 | 118 | 116 | 65 | 132 |
| Total | 616-1,286 | 873 | 904 | 197 | 939 |
| State Aid/Student: | | | | | |
| Foundation | $0-58 | $55 | $51 | $7 | $53 |
| Transportation | 0-26 | 20 | 18 | 7 | 19 |
| Current Aid | 12-81 | 75 | 69 | 13 | 72 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-16 | 7 | 8 | 6 | 10 |
| Total Aid | 34-96 | 81 | 77 | 16 | 81 |
| Effort Index | | | | | |
| Total | 3.40-18.90 | 9.50 | 9.94 | 3.91 | - |
| Current | 3.40-17.10 | 8.20 | 8.64 | 3.49 | - |

Sample: Size 16
Total Students 12,060

Table E-30.--Wisconsin (Unified)

| Variables | Range | Median | Mean | Standard Deviation | Weighted Mean |
|---|---|---|---|---|---|
| Students | 67-125740 | 1142 | 3350 | 10371 | - |
| Valuation/Student | $3169-$96,776 | $23,928 | $25,623 | $11,817 | $31,018 |
| Total Tax Rate (Mills) | 9.80-30.20 | 18.00 | 18.28 | 3.14 | 18.21 |
| Current Tax Rate (Mills) | 8.61-17.94 | 15.14 | 14.92 | 1.81 | 15.02 |
| Expenditure/Student: | | | | | |
| Transportation | $0-194 | $53 | $53 | $29 | $28 |
| Current | 408-989 | 601 | 616 | 96 | 616 |
| Capital and Debt | 0-349 | 69 | 84 | 61 | 82 |
| Total | 445-1144 | 672 | 702 | 134 | 703 |
| State Aid/Student: | | | | | |
| Foundation | $21-761 | $209 | $203 | $108 | $134 |
| Transportation | 0-44 | 17 | 16 | 9 | 8 |
| Current Aid | 22-761 | 225 | 220 | 112 | 141 |
| Capital Debt | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous | 0-105 | 9 | 10 | 9 | 15 |
| Total Aid | 29-866 | 233 | 230 | 114 | 156 |
| Effort Index | | | | | |
| Total | 10.30-38.80 | 18.60 | 19.23 | 4.67 | - |
| Current | 8.40-26.70 | 15.70 | 16.22 | 5.12 | - |

Table E-31.--Analysis of Student Variable

| Type and State | Range (Students) | Median (Students) | Mean (Students) |
|---|---|---|---|
| Non-Operating | | | |
| Maine | 1-210 | 16 | 27 |
| Nebraska | 1-157 | 12 | 18 |
| Elementary | | | |
| California | 5-23,982 | 931 | 4,486 |
| Indiana | 140-2,645 | 320 | 503 |
| Maine | 9-1,555 | 128 | 163 |
| Michigan | 7-5,050 | 31 | 204 |
| Minnesota | 6-219 | 19 | 35 |
| Nebraska | 2-141 | 16 | 27 |
| Oregon | 2-5,179 | 97 | 354 |
| Wisconsin | 22-1,956 | 156 | 338 |
| Secondary | | | |
| California | 211-20,038 | 3,127 | 5,609 |
| Nebraska | 35-473 | 92 | 138 |
| Oregon | 29-3,949 | 654 | 1,016 |
| Wisconsin | 29-2,209 | 673 | 754 |
| Unified | | | |
| California | 3569-643,128 | 12,513 | 26,021 |
| Colorado | 77-88,016 | 690 | 4,770 |
| Indiana | 178-97,573 | 2,366 | 5,859 |
| Iowa | 258-46,033 | 931 | 2,843 |
| Maine | 155-13,583 | 1,361 | 1,971 |
| Michigan | 179-295,907 | 2,820 | 5,710 |
| Minnesota | 159-76,314 | 1,100 | 5,211 |
| Mississippi | 739-35,572 | 3,028 | 4,262 |
| Nebraska | 97-57,272 | 391 | 1,729 |
| New Hampshire | 23-12,448 | 991 | 1,432 |
| New York | 89-1,024,762 | 2,192 | 8,143 |
| Oregon | 93-72,066 | 1,170 | 3,597 |
| Pennsylvania | 51-245,701 | 2,332 | 5,793 |
| South Carolina | 487-51,766 | 5,950 | 7,667 |
| Utah | 187-57,873 | 2,303 | 7,055 |
| Wisconsin | 67-125,740 | 1,142 | 3,350 |

Source: Appendix Tables C1-C30.

Table E-32.--Analysis of Valuation Variable

| Type and State | Range | Median | Mean |
|---|---|---|---|
| Non-Operating | | | |
| Maine | $4,054-340,000 | $26,988 | $15,918 |
| Nebraska | 7,671-357,000 | 23,786 | 22,533 |
| Elementary | | | |
| California | 535-416,231 | 13,762 | 39,469 |
| Indiana | 3,313-133,546 | 7,760 | 10,765 |
| Maine | 4,205-45,451 | 10,446 | 11,323 |
| Michigan | 4,692-83,940 | 12,663 | 9,542 |
| Minnesota | 3,077-253,188 | 18,395 | 19,061 |
| Nebraska | 8,718-177,000 | 36,727 | 32,677 |
| Oregon | 8,711-881,277 | 34,894 | 30,595 |
| Wisconsin | 23,006-225,880 | 56,773 | 73,076 |
| Secondary | | | |
| California | 17,083-220,690 | 35,210 | 32,164 |
| Nebraska | 46,632-285,478 | 86,608 | 86,067 |
| Oregon | 22,804-201,762 | 38,419 | 35,529 |
| Wisconsin | 29,872-201,610 | 82,827 | 105,639 |
| Unified | | | |
| California | 3,578-26,054 | 8,580 | 10,389 |
| Colorado | 2,031-37,651 | 9,612 | 8,877 |
| Indiana | 3,642-32,610 | 8,261 | 8,996 |
| Iowa | 4,718-23,926 | 10,596 | 8,735 |
| Maine | 3,697-50,167 | 11,446 | 13,964 |
| Michigan | 5,250-54,741 | 12,240 | 15,354 |
| Minnesota | 2,004-18,743 | 6,529 | 8.141 |
| Mississippi | 1,719-11,971 | 3,727 | 5,630 |
| Nebraska | 3,641-49,466 | 11,359 | 10,457 |
| New Hampshire | 16,268-122,351 | 30,160 | 35,098 |
| New York | 4,755-161,174 | 21,087 | 35,799 |
| Oregon | 16,670-208,893 | 31,698 | 35,875 |
| Pennsylvania | 4,935-60,078 | 15,414 | 21,458 |
| South Carolina | 469-5,617 | 1,489 | 1,673 |
| Utah | 2,831-25,573 | 5,983 | 5,728 |
| Wisconsin | 3,169-96,776 | 23,928 | 31,018 |

Table E-33.--Analysis of Total Tax Rate

| Type and State | Range (Mills) | Median (Mills) | Weighted Mean (Mills) |
|---|---|---|---|
| Non-Operating | | | |
| Maine | .00-45.20 | 13.84 | 25.01 |
| Nebraska | 2.50-41.90 | 16.80 | 17.88 |
| Elementary | | | |
| California | .36-5.50 | 2.29 | 2.85 |
| Indiana | .63-5.84 | 3.60 | 4.31 |
| Maine | 9.30-46.43 | 25.93 | 30.30 |
| Michigan | 3.28-30.51 | 12.20 | 22.18 |
| Minnesota | .00-165.00 | 42.00 | 6.25 |
| Nebraska | 6.16-57.72 | 22.32 | 26.86 |
| Oregon | n/a | n/a | n/a |
| Wisconsin | 3.01-21.03 | 9.66 | 11.60 |
| Secondary | | | |
| California | .75-3.25 | 1.94 | 2.18 |
| Nebraska | n/a | n/a | 15.38 |
| Oregon | n/a | n/a | n/a |
| Wisconsin | 4.32-17.53 | 9.27 | 8.90 |
| Unified | | | |
| California | 2.64-6.69 | 4.47 | 4.32 |
| Colorado | 20.00-61.18 | 36.71 | 46.32 |
| Indiana | 2.82-7.53 | 4.94 | 4.99 |
| Iowa | 31.64-80.32 | 48.92 | 52.83 |
| Maine | 11.15-50.92 | 32.47 | 31.81 |
| Michigan | 10.00-32.60 | 18.50 | 21.43 |
| Minnesota | 89.00-390.00 | 152.00 | 149.55 |
| Mississippi | 20.75-42.00 | 31.00 | 30.20 |
| Nebraska | 16.00-80.80 | 48.00 | 55.79 |
| New Hampshire | 7.10-36.36 | 19.39 | 18.89 |
| New York | 6.04-27.79 | 17.53 | 17.44 |
| Oregon | n/a | n/a | n/a |
| Pennsylvania | 5.54-32.12 | 20.99 | 19.10 |
| South Carolina | 23.00-93.00 | 60.00 | 63.55 |
| Utah | 33.80-59.00 | 50.98 | 53.48 |
| Wisconsin | 9.80-30.20 | 18.00 | 18.21 |

Table E-34.--Analysis of Transportation Expenditure Variable

| Type and State | Range | Median | Weighted Mean |
|---|---|---|---|
| Non-Operating | | | |
| Maine | $ 0-768 | $133 | $107 |
| Nebraska | 0-1771 | 0 | 20 |
| Elementary | | | |
| California | 0-581 | 17 | 11 |
| Indiana | 1-132 | 62 | 51 |
| Maine | 0-348 | 66 | 62 |
| Michigan | 0-377 | 5 | 37 |
| Minnesota | 0-660 | 105 | 119 |
| Nebraska | 0-148 | 0 | 20 |
| Oregon | 0-667 | 38 | 31 |
| Wisconsin | 0-148 | 51 | 53 |
| Secondary | | | |
| California | 4-275 | 25 | 19 |
| Nebraska | 0-304 | 0 | 25 |
| Oregon | 10-172 | 40 | 35 |
| Wisconsin | 6-147 | 60 | 63 |
| Unified | | | |
| California | 2-38 | 11 | 10 |
| Colorado | 0-168 | 37 | 13 |
| Indiana | 0-142 | 34 | 20 |
| Iowa | 3-110 | 46 | 21 |
| Maine | 3-93 | 24 | 21 |
| Michigan | 0-89 | 32 | 16 |
| Minnesota | 2-80 | 38 | 21 |
| Mississippi | 0-75 | 27 | 19 |
| Nebraska | 0-132 | 28 | 9 |
| New Hampshire | 9-160 | 31 | 26 |
| New York | 0-259 | 48 | 34 |
| Oregon | 0-146 | 35 | 19 |
| Pennsylvania | 2-118 | 33 | 23 |
| South Carolina | 0-10 | 6 | 4 |
| Utah | 2-75 | 18 | 12 |
| Wisconsin | 0-194 | 53 | 28 |

Table E-35.--Analysis of Current Expenditure Variable

| Type and State | Range | Median | Weighted Mean |
|---|---|---|---|
| Non-Operating | | | |
| Maine | $ 0-2147 | $ 168 | $ 134 |
| Nebraska | 0-3028 | 281 | 243 |
| Elementary | | | |
| California | 231-3130 | 523 | 529 |
| Indiana | 322-706 | 442 | 439 |
| Maine | 211-1043 | 407 | 391 |
| Michigan | 171-1392 | 389 | 511 |
| Minnesota | 322-2010 | 567 | 590 |
| Nebraska | 0-4210 | 518 | 512 |
| Oregon | 380-4412 | 617 | 606 |
| Wisconsin | 236-1187 | 539 | 670 |
| Secondary | | | |
| California | 601-1669 | 766 | 765 |
| Nebraska | 569-2050 | 1167 | 1014 |
| Oregon | 611-1100 | 759 | 703 |
| Wisconsin | 559-1101 | 774 | 802 |
| Unified | | | |
| California | 481-1009 | 597 | 629 |
| Colorado | 380-1273 | 657 | 591 |
| Indiana | 357-689 | 487 | 516 |
| Iowa | 460-945 | 626 | 587 |
| Maine | 292-662 | 461 | 456 |
| Michigan | 404-951 | 556 | 630 |
| Minnesota | 412-848 | 538 | 544 |
| Mississippi | 259-484 | 334 | 345 |
| Nebraska | 399-1174 | 597 | 550 |
| New Hampshire | 364-858 | 513 | 520 |
| New York | 638-2707 | 1048 | 1129 |
| Oregon | 489-1328 | 680 | 636 |
| Pennsylvania | 471-1031 | 587 | 717 |
| South Carolina | 287-470 | 375 | 385 |
| Utah | 449-1177 | 545 | 500 |
| Wisconsin | 408-989 | 601 | 616 |

Table E-36.--Analysis of Total Expenditure Variable

| Type and State | Range | Median | Weighted Mean |
|---|---|---|---|
| Non-Operating | | | |
| Maine | $ 0-1,427 | $630 | 519 |
| Nebraska | 0-3,028 | 281 | 243 |
| Elementary | | | |
| California | 340-4,129 | 583 | 584 |
| Indiana | 332-1,706 | 617 | 670 |
| Maine | 316-1,500 | 662 | 642 |
| Michigan | 179-1,841 | 422 | 601 |
| Minnesota | 304-2,000 | 587 | 667 |
| Nebraska | 200-4,213 | 516 | 530 |
| Oregon | 380-4,412 | 617 | 606 |
| Wisconsin | 236-1,364 | 591 | 770 |
| Secondary | | | |
| California | 726-1,957 | 901 | 925 |
| Nebraska | 647-3,851 | 1,273 | 1,149 |
| Oregon | 611-1,100 | 759 | 703 |
| Wisconsin | 616-1,286 | 873 | 939 |
| Unified | | | |
| California | 543-1,134 | 671 | 702 |
| Colorado | 406-1,351 | 751 | 671 |
| Indiana | 421-1,371 | 609 | 730 |
| Iowa | 476-989 | 656 | 611 |
| Maine | 323-747 | 519 | 512 |
| Michigan | 491-1,153 | 658 | 733 |
| Minnesota | 494-890 | 621 | 628 |
| Mississippi | 269-591 | 364 | 380 |
| Nebraska | 428-1,162 | 639 | 582 |
| New Hampshire | 412-1,429 | 639 | 721 |
| New York | 693-3,001 | 1,172 | 1,254 |
| Oregon | 489-1,328 | 680 | 636 |
| Pennsylvania | 471-1,347 | 697 | 800 |
| South Carolina | 305-689 | 426 | 460 |
| Utah | 581-1,586 | 799 | 736 |
| Wisconsin | 445-1,144 | 672 | 703 |

Table E-37. Analysis of State Foundation Aid Variable

| Type and State | Range | Median | Weighted Mean |
|---|---|---|---|
| Non-Operating | | | |
| Maine | $0-685 | $175 | $257 |
| Nebraska | 0-243 | 0 | 11 |
| Elementary | | | |
| California | 99-1400 | 247 | 268 |
| Indiana | 0-247 | 168 | 167 |
| Maine | 0-786 | 235 | 204 |
| Michigan | 61-373 | 197 | 297 |
| Minnesota | 10-653 | 186 | 225 |
| Nebraska | 0-320 | 44 | 35 |
| Oregon | 34-653 | 132 | 143 |
| Wisconsin | 0-124 | 34 | 44 |
| Secondary | | | |
| California | 129-624 | 264 | 297 |
| Nebraska | 0-130 | 49 | 46 |
| Oregon | 49-331 | 191 | 193 |
| Wisconsin | 0-58 | 55 | 53 |
| Unified | | | |
| California | 148-387 | 289 | 262 |
| Colorado | 16-301 | 130 | 106 |
| Indiana | 0-250 | 175 | 173 |
| Iowa | 107-205 | 159 | 160 |
| Maine | 45-352 | 92 | 92 |
| Michigan | 13-409 | 256 | 254 |
| Minnesota | 124-307 | 220 | 204 |
| Mississippi | 133-223 | 171 | 164 |
| Nebraska | 4-62 | 19 | 22 |
| New Hampshire | 0-170 | 5 | 23 |
| New York | 55-1521 | 547 | 450 |
| Oregon | 4-316 | 137 | 148 |
| Pennsylvania | 0-638 | 369 | 402 |
| South Carolina | 143-230 | 176 | 175 |
| Utah | 4-667 | 306 | 277 |
| Wisconsin | 21-761 | 209 | 134 |

Table E-38.--Analysis of Total State Aid Variable

| Type and State | Range | Median | Weighted Mean |
|---|---|---|---|
| **Non-Operating** | | | |
| Maine | $ 61-685 | 253 | 261 |
| Nebraska | 0-243 | 0 | 11 |
| **Elementary** | | | |
| California | 99-1400 | 249 | 268 |
| Indiana | 63-349 | 255 | 247 |
| Maine | 0-786 | 235 | 206 |
| Michigan | 0-380 | 228 | 315 |
| Minnesota | 41-508 | 274 | 313 |
| Nebraska | 0-320 | 44 | 35 |
| Oregon | 36-996 | 179 | 160 |
| Wisconsin | 9-129 | 51 | 64 |
| **Secondary** | | | |
| California | 129-624 | 264 | 297 |
| Nebraska | 0-130 | 49 | 46 |
| Oregon | 54-920 | 222 | 221 |
| Wisconsin | 34-96 | 81 | 81 |
| **Unified** | | | |
| California | 148-387 | 291 | 264 |
| Colorado | 79-424 | 202 | 164 |
| Indiana | 73-370 | 247 | 242 |
| Iowa | 107-205 | 159 | 160 |
| Maine | 47-352 | 102 | 105 |
| Michigan | 14-410 | 270 | 260 |
| Minnesota | 151-481 | 272 | 258 |
| Mississippi | 179-270 | 199 | 195 |
| Nebraska | 4-62 | 19 | 22 |
| New Hampshire | 0-180 | 35 | 41 |
| New York | 166-1570 | 583 | 470 |
| Oregon | 5-325 | 171 | 160 |
| Pennsylvania | 0-638 | 369 | 402 |
| South Carolina | 181-281 | 223 | 228 |
| Utah | 55-735 | 327 | 295 |
| Wisconsin | 29-866 | 233 | 156 |

Table E-39.--Analysis of Total Effort Index

| Type and State | Range (Mills) | Median (Mills) | Mean (Mills) |
|---|---|---|---|
| Non-Operating | | | |
| Maine | .10-42.80 | 15.20 | 17.23 |
| Nebraska | .10-36.20 | 11.00 | 12.01 |
| Elementary | | | |
| California | .01-6.92 | 2.70 | 2.58 |
| Indiana | 1.18-9.98 | 4.54 | 4.63 |
| Maine | 7.40-86.10 | 40.10 | 40.95 |
| Michigan | .10-48.10 | 15.60 | 16.99 |
| Minnesota | .10-86.90 | 16.50 | 19.69 |
| Nebraska | 4.20-45.20 | 13.80 | 15.28 |
| Oregon | (not computed) | | |
| Wisconsin | 1.60-19.30 | 8.40 | 9.56 |
| Secondary | | | |
| California | .68-5.10 | 1.84 | 1.86 |
| Nebraska | 7.60-32.40 | 13.50 | 14.90 |
| Oregon | (not computed) | | |
| Wisconsin | 3.40-18.90 | 9.50 | 9.94 |
| Unified | | | |
| California | 2.47-7.03 | 4.64 | 4.64 |
| Colorado | 12.50-88.90 | 49.50 | 49.84 |
| Indiana | 1.05-9.96 | 4.17 | 4.50 |
| Iowa | 28.88-88.00 | 45.90 | 47.83 |
| Maine | 9.60-57.80 | 32.00 | 31.79 |
| Michigan | 13.33-78.40 | 30.30 | 31.56 |
| Minnesota | 10.20-93.20 | 51.40 | 51.85 |
| Mississippi | 14.20-83.70 | 36.60 | 38.91 |
| Nebraska | 11.50-97.70 | 51.00 | 51.44 |
| New Hampshire | 5.70-43.00 | 18.50 | 18.87 |
| New York | 8.20-79.20 | 24.10 | 25.63 |
| Oregon | (not computed) | | |
| Pennsylvania | 5.50-32.10 | 21.00 | 21.40 |
| South Carolina | 10.00-99.70 | 19.20 | 32.22 |
| Utah | 22.70-98.60 | 67.50 | 58.82 |
| Wisconsin | 10.30-38.80 | 18.60 | 19.23 |

Table E-40.--Analysis of Current Effort Index

| Type and State | Range (Mills) | Median (Mills) | Mean (Mills) |
|---|---|---|---|
| Non-Operating | | | |
| Maine | .10-8.20 | .10 | 2.33 |
| Nebraska | .10-36.20 | 11.00 | 12.01 |
| Elementary | | | |
| California | .01-6.18 | 2.12 | 2.11 |
| Indiana | .52-6.62 | 2.81 | 2.95 |
| Maine | .10-37.70 | 14.10 | 14.48 |
| Michigan | .10-39.80 | 12.90 | 14.12 |
| Minnesota | .10-91.00 | 15.50 | 18.42 |
| Nebraska | 3.90-43.50 | 13.20 | 14.78 |
| Oregon | .10-31.30 | 13.10 | 12.74 |
| Wisconsin | 1.60-15.90 | 7.60 | 8.46 |
| Secondary | | | |
| California | .52-2.24 | 1.47 | 1.41 |
| Nebraska | 5.60-35.90 | 11.90 | 13.75 |
| Oregon | .80-20.00 | 13.20 | 13.52 |
| Wisconsin | 3.40-17.10 | 8.20 | 8.64 |
| Unified | | | |
| California | 1.71-6.22 | 3.67 | 3.79 |
| Colorado | 11.20-74.70 | 42.10 | 42.16 |
| Indiana | 1.96-6.21 | 3.57 | 3.59 |
| Iowa | 26.70-79.70 | 43.40 | 45.27 |
| Maine | 4.50-55.10 | 28.70 | 27.63 |
| Michigan | 8.60-49.30 | 21.40 | 22.08 |
| Minnesota | 10.50-91.80 | 45.00 | 45.90 |
| Mississippi | 16.30-77.30 | 32.20 | 36.36 |
| Nebraska | 10.30-96.90 | 48.70 | 48.80 |
| New Hampshire | 5.70-25.90 | 14.90 | 14.71 |
| New York | 3.40-72.90 | 22.00 | 22.37 |
| Oregon | 3.90-29.60 | 15.80 | 15.66 |
| Pennsylvania | 3.90-24.60 | 14.20 | 14.02 |
| South Carolina | 10.00-99.80 | 21.20 | 40.42 |
| Utah | 10.00-56.20 | 35.60 | 36.44 |
| Wisconsin | | | |

## Table E-41
## California Secondary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.47 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .54 | -.67 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .46 | -.63 | -.95 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.52 | .75 | -.50 | -.48 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.35 | .85 | -.48 | -.42 | .75 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .01 | .13 | .08 | .01 | .10 | .14 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.27 | .75 | -.34 | -.33 | .65 | .87 | .60 | 1.00 | | | | | | |
| 9. Foundation Aid | .32 | -.58 | .59 | .54 | -.12 | -.38 | -.04 | -.33 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | .32 | -.58 | .59 | .54 | -.12 | -.38 | -.04 | -.33 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .31 | -.58 | .59 | .53 | -.12 | -.38 | -.04 | -.33 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .27 | -.44 | .35 | .34 | -.41 | -.19 | .57 | .13 | -.03 | -- | -.03 | -- | -.03 | 1.00 |
| 15. Current Local Effort | .14 | -.35 | .16 | .22 | -.38 | -.08 | -.01 | -.07 | -.31 | -- | -.31 | -- | -.30 | .75 |

## Table E-42
## California Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.58 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .63 | -.61 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .56 | -.51 | .95 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.38 | .58 | -.42 | -.37 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.31 | .68 | -.33 | -.24 | .61 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.17 | .34 | -.10 | -.10 | .48 | .48 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.31 | .66 | -.30 | -.23 | .65 | .95 | .72 | 1.00 | | | | | | |
| 9. Foundation Aid | -.06 | .21 | .02 | .07 | -.10 | .35 | .01 | .28 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.06 | .21 | .02 | .07 | -.10 | .35 | .01 | .28 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.06 | .21 | .02 | .07 | -.10 | .35 | .01 | .28 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .63 | -.77 | .61 | .51 | -.36 | -.34 | -.16 | -.32 | -.04 | -- | -.04 | -- | -.04 | 1.00 |
| 15. Current Local Effort | .62 | -.75 | .59 | .52 | -.35 | -.30 | -.23 | -.31 | -.03 | -- | -.03 | -- | -.03 | .98 |

## Table E-43
## California Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .06 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -.01 | -.48 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .04 | -.29 | .94 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.39 | .01 | -.26 | -.28 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .09 | .61 | .19 | .36 | -.17 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.07 | .37 | .02 | -.05 | -.12 | .36 | 1.00 | | | | | | | |
| 8. Total Expenditures | .05 | .63 | .16 | .28 | -.18 | .95 | .64 | 1.00 | | | | | | |
| 9. Foundation Aid | .00 | -.94 | .50 | .32 | -.02 | -.56 | -.27 | -.55 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | .00 | -.94 | .50 | .32 | -.02 | -.56 | -.27 | -.55 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .00 | -.93 | .51 | .33 | -.02 | -.56 | -.28 | -.56 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | -.01 | -.62 | .71 | .61 | -.24 | .14 | .10 | .15 | .56 | -- | .56 | -- | .55 | 1.00 |
| 15. Current Local Effort | .03 | -.48 | .66 | .65 | -.22 | .32 | -.14 | .22 | .40 | -- | .40 | -- | .39 | .92 |

## Table E-44
## Colorado Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.51 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .62 | -.43 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .60 | -.35 | .96 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.63 | .70 | -.48 | -.44 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.51 | .84 | -.34 | -.22 | .72 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.15 | .44 | -.01 | -.10 | .30 | .31 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.49 | .86 | -.30 | -.22 | .71 | .97 | .55 | 1.00 | | | | | | |
| 9. Foundation Aid | -.37 | .14 | -.31 | -.30 | .36 | .31 | -.07 | .25 | 1.00 | | | | | |
| 10. Transportation Aid | -.61 | .70 | -.49 | -.45 | .93 | .72 | .28 | .71 | .40 | 1.00 | | | | |
| 11. Current Aid | -.53 | .40 | -.43 | -.41 | .65 | .53 | .05 | .48 | .93 | .71 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.51 | .39 | -.43 | -.41 | .64 | .52 | .08 | .48 | .92 | .71 | .99 | -- | 1.00 | |
| 14. Total Local Effort | .46 | -.51 | .69 | .68 | -.48 | -.43 | -.02 | -.38 | -.23 | -.50 | -.38 | -- | -.37 | 1.00 |
| 15. Current Local Effort | .45 | -.51 | .68 | .70 | -.49 | -.39 | -.21 | -.40 | -.22 | -.50 | -.37 | -- | -.36 | .97 |

## Table E-45
## Indiana Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.07 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .40 | -.51 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .28 | -.56 | .95 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.60 | .21 | -.21 | -.22 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.08 | .65 | -.21 | -.31 | .25 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.11 | .73 | -.36 | -.45 | .50 | .47 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.04 | .78 | -.35 | -.47 | .35 | .83 | .77 | 1.00 | | | | | | |
| 9. Foundation Aid | .11 | -.89 | .57 | .61 | -.06 | -.54 | -.47 | -.61 | 1.00 | | | | | |
| 10. Transportation Aid | -.29 | -.62 | .28 | .24 | .46 | -.35 | -.09 | -.29 | .65 | 1.00 | | | | |
| 11. Current Aid | .02 | -.88 | .54 | .56 | .07 | -.53 | -.41 | -.57 | .98 | .79 | 1.00 | | | |
| 12. Capital & Debt Aid | .11 | -.17 | .28 | .28 | .00 | -.18 | .10 | -.05 | .27 | .33 | .31 | 1.00 | | |
| 13. Total State Aid | .03 | -.79 | .53 | .54 | .12 | -.48 | -.27 | -.48 | .95 | .79 | .97 | .48 | 1.00 | |
| 14. Total Local Effort | .18 | -.44 | .54 | .44 | .05 | -.00 | -.12 | -.02 | .38 | .44 | .42 | .04 | .38 | 1.00 |
| 15. Current Local Effort | .10 | -.56 | .26 | .22 | -.10 | .20 | -.42 | -.06 | .52 | .35 | .52 | .06 | .46 | .48 |

## Table E-46
## Indiana Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .18 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .05 | -.32 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.06 | -.32 | .84 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.52 | -.10 | -.03 | .04 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .30 | .52 | .17 | .17 | -.03 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .16 | .00 | .29 | .11 | -.08 | .17 | 1.00 | | | | | | | |
| 8. Total Expenditures | .25 | .17 | .37 | .22 | -.04 | .53 | .88 | 1.00 | | | | | | |
| 9. Foundation Aid | -.11 | -.94 | .28 | .27 | .05 | -.47 | .02 | -.13 | 1.00 | | | | | |
| 10. Transportation Aid | -.53 | -.43 | .07 | .09 | .81 | -.15 | -.08 | -.07 | .37 | 1.00 | | | | |
| 11. Current Aid | -.27 | -.92 | .25 | .25 | .32 | -.44 | -.01 | -.13 | .95 | .65 | 1.00 | | | |
| 12. Capital & Debt Aid | .07 | .17 | -.05 | -.14 | .22 | .17 | .09 | .16 | -.04 | .19 | .03 | 1.00 | | |
| 13. Total State Aid | -.20 | -.87 | .26 | .23 | .29 | -.38 | .04 | -.07 | .93 | .63 | .98 | .17 | 1.00 | |
| 14. Total Local Effort | .35 | -.26 | .36 | .31 | -.28 | .14 | .25 | .35 | .23 | -.25 | .10 | -.04 | .12 | 1.00 |
| 15. Current Local Effort | .19 | -.52 | .49 | .50 | -.09 | .39 | .15 | .31 | .46 | .07 | .40 | -.11 | .39 | .54 |

### Table E-47
### Iowa Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.52 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .31 | -.64 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .22 | -.58 | .96 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.69 | .46 | -.18 | -.09 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.44 | .65 | -.07 | .03 | .56 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.12 | .19 | .03 | .07 | .10 | .29 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.43 | .64 | -.06 | .04 | .54 | .99 | .44 | 1.00 | | | | | | |
| 9. Foundation Aid | -.03 | -.07 | .42 | .44 | .30 | .41 | .05 | .39 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.03 | -.07 | .42 | .44 | .30 | .41 | .05 | .39 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.03 | -.07 | .42 | .44 | .30 | .41 | .05 | .39 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .33 | -.77 | .76 | .77 | -.21 | -.06 | .15 | -.03 | .32 | -- | .32 | -- | .32 | 1.00 |
| 15. Current Local Effort | .33 | -.78 | .77 | .78 | -.22 | -.07 | .01 | -.06 | .32 | -- | .32 | -- | .32 | .99 |

### Table E-48
### Maine Non-Operating Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.67 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .53 | -.68 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .53 | -.66 | 1.00 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.45 | .55 | -.32 | -.31 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.52 | .63 | -.44 | -.44 | .94 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .17 | -.22 | .41 | .41 | -.20 | -.24 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.49 | .76 | -.34 | -.34 | .66 | .73 | -.08 | 1.00 | | | | | | |
| 9. Foundation Aid | .08 | .26 | -.02 | -.03 | .06 | .09 | -.12 | .34 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | .08 | .26 | -.02 | -.03 | .06 | .09 | -.12 | .34 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .01 | .29 | -.09 | -.10 | .05 | .10 | -.17 | .39 | .96 | -- | .96 | -- | 1.00 | |
| 14. Total Local Effort | .37 | -.62 | .81 | .80 | -.23 | -.30 | .47 | -.09 | -.17 | -- | -.17 | -- | -.19 | 1.00 |
| 15. Current Local Effort | -.45 | .38 | -.35 | -.34 | .65 | .70 | -.25 | .54 | -.38 | -- | -.38 | -- | -.27 | -.11 |

### Table E-49
### Maine Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.36 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .32 | -.65 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .25 | -.55 | .93 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.37 | .54 | -.31 | -.26 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.49 | .59 | -.14 | -.05 | .70 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .36 | -.19 | .21 | .04 | -.02 | -.24 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.41 | .44 | -.12 | -.05 | .67 | .85 | -.05 | 1.00 | | | | | | |
| 9. Foundation Aid | -.30 | -.44 | .25 | .26 | -.06 | .11 | -.18 | .30 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.33 | -.41 | .24 | .26 | -.00 | .16 | -.20 | .34 | .99 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -.05 | .02 | -.12 | -.14 | -.02 | -.05 | .11 | -.15 | -.03 | -- | -.04 | 1.00 | | |
| 13. Total State Aid | -.32 | -.41 | .24 | .26 | -.00 | .16 | -.20 | .33 | .99 | -- | 1.00 | -.01 | 1.00 | |
| 14. Total Local Effort | .20 | -.68 | .60 | .51 | -.13 | -.15 | .38 | .20 | .42 | -- | .41 | -.20 | .41 | 1.00 |
| 15. Current Local Effort | .07 | .21 | .19 | .25 | .17 | .43 | .07 | .19 | -.41 | -- | -.40 | -.02 | -.40 | .01 |

### Table E-50
### Maine Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .14 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .09 | -.64 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .04 | -.70 | .95 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.27 | .09 | -.04 | -.07 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .05 | .45 | .08 | .01 | .36 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .31 | .43 | .05 | -.15 | -.07 | .37 | 1.00 | | | | | | | |
| 8. Total Expenditures | .08 | .48 | .05 | -.07 | .35 | .91 | .61 | 1.00 | | | | | | |
| 9. Foundation Aid | -.41 | -.68 | .24 | .28 | .31 | -.20 | -.40 | -.14 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.42 | -.68 | .24 | .28 | .32 | -.18 | -.41 | -.14 | .99 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | .39 | -.18 | .14 | .02 | .10 | .02 | .26 | .08 | .22 | -- | .22 | 1.00 | | |
| 13. Total State Aid | -.36 | -.67 | .24 | .27 | .32 | -.17 | -.37 | -.12 | .99 | -- | .99 | .33 | 1.00 | |
| 14. Total Local Effort | -.01 | -.80 | .82 | .82 | -.10 | -.04 | -.04 | -.04 | .41 | -- | .40 | .15 | .40 | 1.00 |
| 15. Current Local Effort | .03 | -.74 | .77 | .79 | -.19 | -.01 | -.13 | -.16 | .25 | -- | .24 | .13 | .25 | .91 |

## Table E-51
## Michigan Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.22 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .73 | -.39 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .40 | -.28 | .83 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | .11 | .20 | .18 | .13 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .21 | .63 | .15 | .10 | .52 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .41 | .47 | .12 | -.11 | .29 | .63 | 1.00 | | | | | | | |
| 8. Total Expenditures | .28 | .63 | .15 | .05 | .50 | .98 | .78 | 1.00 | | | | | | |
| 9. Foundation Aid | .42 | -.42 | .55 | .40 | -.04 | .00 | -.05 | -.01 | 1.00 | | | | | |
| 10. Transportation Aid | -.06 | .11 | .09 | .13 | .85 | .42 | .01 | .34 | -.05 | 1.00 | | | | |
| 11. Current Aid | .37 | -.35 | .55 | .43 | .31 | .17 | -.04 | .13 | .91 | .36 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .37 | -.35 | .55 | .43 | .31 | .17 | -.04 | .13 | .91 | .36 | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .56 | -.05 | .55 | .33 | .38 | .56 | .39 | .55 | .07 | .30 | .18 | -- | .18 | 1.00 |
| 15. Current Local Effort | .30 | .04 | .38 | .31 | .37 | .57 | .17 | .51 | -.11 | .34 | .04 | -- | .04 | .92 |

## Table E-52
## Michigan Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .16 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .47 | -.09 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .43 | .14 | .88 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.65 | -.17 | -.46 | -.43 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .46 | .60 | .53 | .60 | -.46 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .01 | .12 | .12 | -.12 | .02 | .16 | 1.00 | | | | | | | |
| 8. Total Expenditures | .39 | .55 | .50 | .44 | -.37 | .90 | .57 | 1.00 | | | | | | |
| 9. Foundation Aid | -.04 | -.94 | .17 | -.05 | .07 | -.44 | -.09 | -.41 | 1.00 | | | | | |
| 10. Transportation Aid | -.67 | -.19 | -.53 | -.48 | .88 | -.51 | -.04 | -.44 | .08 | 1.00 | | | | |
| 11. Current Aid | -.16 | -.95 | .07 | -.13 | .22 | -.51 | -.10 | -.47 | .98 | .25 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.16 | -.95 | .07 | -.13 | .22 | -.51 | -.10 | -.47 | .98 | .25 | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .24 | -.50 | .63 | .34 | -.25 | .21 | .45 | .37 | .55 | -.31 | .48 | -- | .48 | 1.00 |
| 15. Current Local Effort | .44 | -.24 | .80 | .66 | -.41 | .53 | .08 | .48 | .31 | -.49 | .22 | -- | .22 | .81 |

Table E-53
Minnesota Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.29 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .50 | -.35 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .36 | -.38 | .89 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.03 | .50 | -.07 | -.09 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.09 | .59 | .06 | .06 | .73 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .37 | .02 | .25 | -.02 | .03 | .06 | 1.00 | | | | | | | |
| 8. Total Expenditures | .09 | .56 | .13 | .06 | .71 | .90 | .33 | 1.00 | | | | | | |
| 9. Foundation Aid | .37 | -.44 | .27 | .25 | .08 | -.10 | .09 | -.02 | 1.00 | | | | | |
| 10. Transportation Aid | .10 | .31 | -.06 | -.09 | .45 | .27 | .12 | .34 | .26 | 1.00 | | | | |
| 11. Current Aid | .34 | -.26 | .21 | .18 | .23 | .02 | .12 | .11 | .94 | .58 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .33 | -.18 | .22 | .21 | .31 | .12 | .11 | .21 | .89 | .58 | .96 | -- | 1.00 | |
| 14. Total Local Effort | .31 | -.47 | .48 | .44 | -.13 | .05 | .26 | .18 | .14 | -.18 | .06 | -- | .04 | 1.00 |
| 15. Current Local Effort | .08 | -.45 | .43 | .48 | -.13 | .16 | -.04 | .03 | .00 | -.32 | -.11 | -- | -.11 | .76 |

Table E-54
Minnesota Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.06 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .10 | -.55 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .07 | -.33 | .91 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.65 | -.05 | .11 | .12 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.05 | .22 | .36 | .45 | .18 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .09 | .05 | .06 | -.02 | .02 | .05 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.01 | .21 | .35 | .39 | .17 | .92 | .45 | 1.00 | | | | | | |
| 9. Foundation Aid | .10 | -.98 | .51 | .29 | .07 | -.23 | -.07 | -.24 | 1.00 | | | | | |
| 10. Transportation Aid | -.65 | .02 | .21 | .25 | .80 | .30 | -.03 | .25 | -.02 | 1.00 | | | | |
| 11. Current Aid | -.06 | -.95 | .55 | .35 | .26 | -.16 | -.07 | -.17 | .97 | .22 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .06 | -.85 | .54 | .36 | .17 | -.04 | -.13 | -.09 | .86 | .13 | .87 | -- | 1.00 | |
| 14. Total Local Effort | .11 | -.27 | .19 | .01 | -.05 | .16 | .16 | .20 | .30 | -.09 | .27 | -- | .11 | 1.00 |
| 15. Current Local Effort | .04 | -.56 | .25 | .03 | .03 | .28 | .02 | .26 | .54 | -.03 | .52 | -- | .50 | .47 |

### Table E-55
### Mississippi Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .41 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -.05 | -.08 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.02 | -.14 | .69 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.54 | -.56 | -.11 | -.05 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .01 | .53 | -.16 | -.14 | .02 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .18 | .70 | .26 | .10 | -.34 | .39 | 1.00 | | | | | | | |
| 8. Total Expenditures | .07 | .69 | -.03 | -.07 | -.11 | .93 | .69 | 1.00 | | | | | | |
| 9. Foundation Aid | -.50 | -.68 | -.12 | -.06 | .75 | -.15 | -.45 | -.29 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.37 | -.46 | -.15 | -.16 | .62 | -.03 | -.29 | -.13 | .93 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | .02 | .24 | -.04 | -.12 | -.12 | .08 | .21 | .14 | -.16 | -- | -.12 | 1.00 | | |
| 13. Total State Aid | -.40 | -.39 | -.21 | -.25 | .65 | -.03 | -.27 | -.12 | .77 | -- | .82 | .29 | 1.00 | |
| 14. Total Local Effort | -.25 | -.43 | .21 | .23 | .31 | .34 | -.13 | .22 | .22 | -- | .08 | -.30 | -.11 | 1.00 |
| 15. Current Local Effort | -.32 | -.57 | .03 | .12 | .44 | .28 | -.39 | .07 | .31 | -- | .14 | -.20 | .10 | .92 |

### Table E-56
### Nebraska Non-Operating Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.47 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .08 | -.52 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .08 | -.52 | 1.00 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.20 | .49 | -.12 | -.12 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.30 | .53 | .05 | .05 | .86 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -- | -- | -- | -- | -- | -- | 1.00 | | | | | | | |
| 8. Total Expenditures | -.30 | .53 | .05 | .05 | .86 | 1.00 | -- | 1.00 | | | | | | |
| 9. Foundation Aid | -.13 | .44 | -.10 | -.10 | .68 | .63 | -- | .63 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.13 | .44 | -.10 | -.10 | .68 | .63 | -- | .63 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.13 | .44 | -.10 | -.10 | .68 | .63 | -- | .63 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | -.03 | -.47 | .75 | .75 | -.04 | .23 | -- | .23 | -.12 | -- | -.12 | -- | -.12 | 1.00 |
| 15. Current Local Effort | -.03 | -.47 | .75 | .75 | -.04 | .23 | -- | .23 | -.12 | -- | -.12 | -- | -.12 | 1.00 |

### Table E-57
### Nebraska Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.52 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .49 | -.60 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .42 | -.61 | .99 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | .21 | .08 | .13 | .11 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.28 | .57 | -.16 | -.15 | .11 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -- | -- | -- | -- | -- | -- | 1.00 | | | | | | | |
| 8. Total Expenditures | -.28 | .59 | -.16 | -.15 | .17 | .94 | -- | 1.00 | | | | | | |
| 9. Foundation Aid | -.54 | .58 | -.23 | -.22 | -.11 | .66 | -- | .66 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.54 | .58 | -.23 | -.22 | -.11 | .66 | -- | .66 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.54 | .58 | -.23 | -.22 | -.11 | .66 | -- | .66 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .40 | -.57 | .69 | .70 | .19 | .11 | -- | .18 | -.15 | -- | -.15 | -- | -.15 | 1.00 |
| 15. Current Local Effort | .42 | -.62 | .70 | .71 | .11 | .11 | -- | .06 | -.18 | -- | -.18 | -- | -.18 | .94 |

### Table E-58
### Nebraska Secondary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.35 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -.40 | -.36 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.49 | -.38 | .95 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | .01 | .03 | -.03 | .03 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.71 | .22 | .61 | .65 | .48 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.20 | .57 | -.15 | -.10 | .35 | .36 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.51 | .66 | .29 | .28 | .20 | .72 | .56 | 1.00 | | | | | | |
| 9. Foundation Aid | -.28 | .30 | -.31 | -.23 | .38 | .29 | .55 | .14 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.28 | .30 | -.31 | -.23 | .38 | .29 | .55 | .14 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.28 | .30 | -.31 | -.23 | .38 | .29 | .55 | .14 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | -.34 | -.54 | .89 | .91 | .12 | .62 | -.13 | .22 | -.18 | -- | -.18 | -- | -.18 | 1.00 |
| 15. Current Local Effort | -.28 | -.67 | .88 | .88 | .11 | .51 | -.30 | -.01 | -.23 | -- | -.23 | -- | -.23 | .96 |

## Table E-59
## Nebraska Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.30 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .22 | -.78 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .06 | -.76 | .96 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.47 | .54 | -.34 | -.29 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.44 | .67 | -.30 | -.23 | .60 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.22 | .15 | -.07 | -.06 | -.04 | .13 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.35 | .60 | -.26 | -.21 | .49 | .89 | .26 | 1.00 | | | | | | |
| 9. Foundation Aid | -.11 | .34 | -.12 | -.12 | .39 | .44 | -.05 | .38 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.11 | .34 | -.12 | -.12 | .39 | .44 | -.05 | .38 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.11 | .34 | -.12 | -.12 | .39 | .44 | -.05 | .38 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .08 | -.42 | .58 | .54 | -.25 | -.16 | .01 | -.12 | -.13 | -- | -.13 | -- | -.13 | 1.00 |
| 15. Current Local Effort | .07 | -.49 | .64 | .63 | -.24 | -.17 | -.02 | -.23 | -.10 | -- | -.10 | -- | -.10 | .85 |

## Table E-60
## New Hampshire Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.18 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .10 | -.75 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.15 | -.47 | .66 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.60 | .47 | -.25 | -.05 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.10 | .45 | -.01 | .02 | .43 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .43 | -.18 | .31 | -.47 | -.28 | .04 | 1.00 | | | | | | | |
| 8. Total Expenditures | .29 | .11 | .25 | -.36 | .02 | .59 | .83 | 1.00 | | | | | | |
| 9. Foundation Aid | -.14 | -.60 | .49 | .37 | -.13 | -.16 | -.03 | -.11 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.14 | -.60 | .49 | .37 | -.13 | -.16 | -.03 | -.11 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | .31 | .12 | .21 | -.02 | -.15 | .39 | .46 | .58 | -.07 | -- | -.07 | 1.00 | | |
| 13. Total State Aid | -.04 | -.55 | .54 | .35 | -.17 | -.04 | .11 | .07 | .95 | -- | .95 | .24 | 1.00 | |
| 14. Total Local Effort | .30 | -.69 | .75 | .06 | -.31 | .02 | .74 | .60 | .32 | -- | .32 | .24 | .38 | 1.00 |
| 15. Current Local Effort | .19 | -.81 | .84 | .53 | -.27 | .08 | .26 | .25 | .39 | -- | .39 | .12 | .41 | .82 |

Table E-61
New York Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .03 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .31 | -.09 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .20 | .21 | .69 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.45 | -.04 | -.21 | -.18 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.22 | .62 | .08 | .21 | .46 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .10 | -.05 | .18 | .04 | .16 | .39 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.17 | .53 | .11 | .19 | .44 | .97 | .58 | 1.00 | | | | | | |
| 9. Foundation Aid | -.10 | -.85 | .06 | -.25 | .11 | -.40 | .32 | -.27 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | -.10 | -.85 | .06 | -.25 | .11 | -.40 | .32 | -.27 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.17 | -.87 | .01 | -.25 | .16 | -.37 | .29 | -.26 | .97 | -- | .97 | -- | 1.00 | |
| 14. Total Local Effort | .03 | -.38 | .39 | .13 | .19 | .24 | .45 | .32 | .36 | -- | .36 | -- | .36 | 1.00 |
| 15. Current Local Effort | -.09 | -.30 | .37 | .24 | .23 | .30 | .17 | .31 | .16 | -- | .16 | -- | .25 | .81 |

Table E-62
Oregon Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.49 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -- | -- | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .47 | -.74 | -- | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.38 | .65 | -- | -.39 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.37 | .74 | -- | -.28 | .65 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -- | -- | -- | -- | -- | -- | 1.00 | | | | | | | |
| 8. Total Expenditures | -.37 | .74 | -- | -.28 | .65 | 1.00 | -- | 1.00 | | | | | | |
| 9. Foundation Aid | -.05 | -.13 | -- | .29 | .13 | .30 | -- | .30 | 1.00 | | | | | |
| 10. Transportation Aid | -.36 | .64 | -- | -.33 | .72 | .84 | -- | .84 | .31 | 1.00 | | | | |
| 11. Current Aid | -.22 | .23 | -- | .04 | .46 | .65 | -- | .65 | .88 | .73 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.25 | .30 | -- | -.02 | .52 | .73 | -- | .73 | .72 | .83 | .94 | -- | 1.00 | |
| 14. Total Local Effort | .47 | -.74 | -- | 1.00 | -.39 | -.28 | -- | -.28 | .29 | -.33 | .04 | -- | -.02 | 1.00 |
| 15. Current Local Effort | .47 | -.70 | -- | .92 | -.37 | -.27 | -- | -.27 | .05 | -.31 | -.13 | -- | -.05 | .92 |

### Table E-63
### Oregon Secondary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.55 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -- | -- | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .30 | -.87 | -- | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.64 | .77 | -- | -.57 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.71 | .71 | -- | -.34 | .82 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -- | -- | -- | -- | -- | -- | 1.00 | | | | | | | |
| 8. Total Expenditures | -.71 | .71 | -- | -.34 | .82 | 1.00 | -- | 1.00 | | | | | | |
| 9. Foundation Aid | .01 | -.23 | -- | .18 | .12 | .11 | -- | .11 | 1.00 | | | | | |
| 10. Transportation Aid | -.41 | .80 | -- | -.71 | .75 | .60 | -- | .60 | .29 | 1.00 | | | | |
| 11. Current Aid | -.32 | .53 | -- | -.47 | .64 | .52 | -- | .52 | .66 | .91 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.33 | .53 | -- | -.48 | .66 | .53 | -- | .53 | .65 | .91 | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .30 | -.87 | -- | 1.00 | -.56 | -.34 | -- | -.34 | .18 | -.71 | -.47 | -- | -.48 | 1.00 |
| 15. Current Local Effort | .31 | -.87 | -- | 1.00 | -.56 | -.34 | -- | -.34 | .18 | -.71 | -.48 | -- | -.48 | 1.00 |

### Table E-64
### Oregon Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.27 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -- | -- | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.04 | -.76 | -- | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.54 | .62 | -- | -.31 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.54 | .67 | -- | -.09 | .70 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -- | -- | -- | -- | -- | -- | 1.00 | | | | | | | |
| 8. Total Expenditures | -.54 | .67 | -- | -.09 | .70 | 1.00 | -- | 1.00 | | | | | | |
| 9. Foundation Aid | .03 | -.45 | -- | .20 | -.26 | -.28 | -- | -.28 | 1.00 | | | | | |
| 10. Transportation Aid | -.56 | .62 | -- | -.33 | .97 | .70 | -- | .70 | -.20 | 1.00 | | | | |
| 11. Current Aid | -.13 | -.28 | -- | .10 | .01 | -.09 | -- | -.09 | .96 | .09 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.16 | -.26 | -- | .09 | .03 | -.06 | -- | -.06 | .95 | .11 | .99 | -- | 1.00 | |
| 14. Total Local Effort | -.04 | -.76 | -- | 1.00 | -.31 | -.09 | -- | -.09 | .20 | -.33 | .11 | -- | .09 | 1.00 |
| 15. Current Local Effort | -.04 | -.76 | -- | 1.00 | -.31 | -.09 | -- | -.09 | .19 | -.33 | .10 | -- | .09 | 1.00 |

### Table E-65
### Pennsylvania Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .13 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -.15 | -.49 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .05 | .17 | .59 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.38 | -.33 | .26 | -.13 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .26 | .40 | .18 | .40 | -.08 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.03 | .07 | .43 | .09 | .01 | .36 | 1.00 | | | | | | | |
| 8. Total Expenditures | .20 | .35 | .31 | .36 | -.06 | .94 | .66 | 1.00 | | | | | | |
| 9. Foundation Aid | .08 | -.86 | .36 | -.30 | .32 | -.05 | .07 | -.01 | 1.00 | | | | | |
| 10. Transportation Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | | | |
| 11. Current Aid | .08 | -.86 | .36 | -.30 | .32 | -.05 | .07 | -01 | 1.00 | -- | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .08 | -.86 | .36 | -.30 | .32 | -.05 | .07 | -.01 | 1.00 | -- | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | -.15 | -.49 | 1.00 | .59 | .26 | .18 | .43 | .31 | .36 | -- | .36 | -- | .36 | 1.00 |
| 15. Current Local Effort | .05 | .17 | .59 | 1.00 | -.13 | .40 | .09 | .36 | -.30 | -- | -.30 | -- | -.30 | .59 |

### Table E-66
### South Carolina Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .27 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .06 | .00 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .04 | -.05 | .94 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.39 | -.26 | -.20 | -.13 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .14 | .55 | .26 | .21 | -.05 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .27 | .25 | .35 | .30 | -.27 | .33 | 1.00 | | | | | | | |
| 8. Total Expenditures | .26 | .44 | .34 | .29 | -.09 | .75 | .78 | 1.00 | | | | | | |
| 9. Foundation Aid | .03 | .46 | .35 | .27 | -.02 | .74 | .29 | .58 | 1.00 | | | | | |
| 10. Transportation Aid | -.09 | -.14 | -.35 | -.19 | .45 | -.05 | -.14 | -.04 | -.18 | 1.00 | | | | |
| 11. Current Aid | .04 | .44 | .30 | .24 | .07 | .74 | .28 | .59 | .97 | .02 | 1.00 | | | |
| 12. Capital & Debt Aid | .22 | .14 | -.00 | .01 | .00 | .19 | .19 | .35 | .20 | .21 | .17 | 1.00 | | |
| 13. Total State Aid | .08 | .33 | .20 | .17 | .07 | .66 | .36 | .63 | .76 | .22 | .83 | .55 | 1.00 | |
| 14. Total Local Effort | -.15 | .27 | -.45 | -.48 | .09 | -.03 | -.27 | -.21 | -.03 | .06 | -.05 | -.09 | -.06 | 1.00 |
| 15. Current Local Effort | .02 | .29 | -.32 | -.35 | -.18 | -.17 | -.27 | -.26 | -.03 | -.10 | -.07 | .14 | -.09 | .43 |

## Table E-67
## Utah Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.35 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .14 | -.10 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .49 | -.52 | .65 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.63 | .38 | -.34 | -.49 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | -.57 | .34 | .07 | -.35 | .64 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | -.02 | .12 | .22 | .23 | -.11 | .15 | 1.00 | | | | | | | |
| 8. Total Expenditures | -.46 | .36 | .02 | -.15 | .49 | .75 | .36 | 1.00 | | | | | | |
| 9. Foundation Aid | -.40 | -.36 | .17 | .05 | .37 | .73 | .08 | .53 | 1.00 | | | | | |
| 10. Transportation Aid | -.62 | .34 | -.35 | -.46 | .89 | .62 | -.07 | .56 | .39 | 1.00 | | | | |
| 11. Current Aid | -.45 | -.30 | .12 | -.00 | .44 | .76 | .07 | .57 | 1.00 | .48 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.46 | -.28 | .12 | -.02 | .44 | .77 | .08 | .59 | .99 | .49 | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | .07 | -.07 | .19 | .05 | .02 | -.04 | -.04 | -.22 | -.02 | -.08 | -.02 | -- | -.03 | 1.00 |
| 15. Current Local Effort | .18 | -.49 | .19 | .15 | -.02 | .33 | .01 | .03 | .53 | -.14 | .49 | -- | .48 | .09 |

## Table E-68
## Wisconsin Elementary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | -.15 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .36 | -.71 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .37 | -.72 | .97 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.14 | .46 | -.22 | -.18 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .36 | .45 | .11 | .14 | .20 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .34 | -.02 | .36 | .32 | .05 | .42 | 1.00 | | | | | | | |
| 8. Total Expenditures | .41 | .37 | .19 | .21 | .18 | .96 | .65 | 1.00 | | | | | | |
| 9. Foundation Aid | .42 | -.25 | .47 | .45 | -.15 | .21 | .24 | .24 | 1.00 | | | | | |
| 10. Transportation Aid | -.14 | .21 | -.29 | -.25 | .71 | -.19 | -.32 | -.26 | -.20 | 1.00 | | | | |
| 11. Current Aid | .31 | -.11 | .28 | .28 | .27 | .08 | .04 | .08 | .82 | .39 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | .44 | -.02 | .26 | .24 | .26 | .24 | .14 | .24 | .79 | .33 | .94 | -- | 1.00 | |
| 14. Total Local Effort | .39 | -.73 | .90 | .93 | -.27 | .20 | .42 | .29 | .47 | -.32 | .26 | -- | .25 | 1.00 |
| 15. Current Local Effort | .37 | -.74 | .87 | .92 | -.30 | .20 | .26 | .25 | .45 | -.30 | .25 | -- | .24 | .98 |

Table E-69
Wisconsin Unified Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .30 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | .02 | -.43 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | .07 | -.27 | .74 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | -.49 | -.18 | .05 | .04 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .04 | .28 | .36 | .42 | .02 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .14 | .28 | .33 | .19 | .01 | .40 | 1.00 | | | | | | | |
| 8. Total Expenditures | .11 | .34 | .41 | .39 | .01 | .91 | .74 | 1.00 | | | | | | |
| 9. Foundation Aid | -.32 | -.85 | .48 | .31 | .31 | .10 | -.09 | .02 | 1.00 | | | | | |
| 10. Transportation Aid | -.54 | -.29 | .00 | -.01 | .85 | -.13 | -.07 | -.14 | .36 | 1.00 | | | | |
| 11. Current Aid | -.35 | -.85 | .46 | .30 | .36 | .08 | -.09 | .01 | 1.00 | .43 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | -.33 | -.85 | .47 | .30 | .34 | .10 | -.09 | .02 | 1.00 | .40 | 1.00 | -- | 1.00 | |
| 14. Total Local Effort | -.01 | -.41 | .75 | .63 | -.05 | .49 | .51 | .58 | .44 | -.13 | .42 | -- | .43 | 1.00 |
| 15. Current Local Effort | -.09 | -.44 | .56 | .44 | -.15 | .47 | -.01 | .33 | .45 | -.19 | .42 | -- | .47 | .71 |

Table E-70
Wisconsin Secondary Districts

| Variable | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Size | 1.00 | | | | | | | | | | | | | |
| 2. Valuation | .33 | 1.00 | | | | | | | | | | | | |
| 3. Total Tax Rate | -.14 | -.90 | 1.00 | | | | | | | | | | | |
| 4. Current Tax Rate | -.12 | -.88 | .99 | 1.00 | | | | | | | | | | |
| 5. Transportation Expenditure | .32 | .67 | -.55 | -.52 | 1.00 | | | | | | | | | |
| 6. Current Expenditure | .02 | .51 | -.35 | -.33 | -.03 | 1.00 | | | | | | | | |
| 7. Capital & Debt Expenditures | .33 | .18 | -.04 | -.05 | -.19 | .55 | 1.00 | | | | | | | |
| 8. Total Expenditures | .14 | .46 | -.29 | -.28 | -.09 | .96 | .76 | 1.00 | | | | | | |
| 9. Foundation Aid | .45 | .65 | -.47 | -.47 | .47 | .60 | .45 | .61 | 1.00 | | | | | |
| 10. Transportation Aid | .44 | .32 | -.16 | -.17 | .54 | .21 | .20 | .23 | .76 | 1.00 | | | | |
| 11. Current Aid | .48 | .52 | -.34 | -.35 | .54 | .44 | .36 | .46 | .94 | .93 | 1.00 | | | |
| 12. Capital & Debt Aid | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.00 | | |
| 13. Total State Aid | [illegible] | .56 | -.43 | -.44 | .55 | .28 | .35 | .33 | .91 | .85 | .94 | -- | 1.00 | |
| 14. Total Local Effort | -.39 | -.89 | .90 | .91 | -.71 | -.12 | .05 | -.08 | -.50 | -.32 | -.45 | -- | -.58 | 1.00 |
| 15. Current Local Effort | -.46 | -.90 | .90 | .90 | -.70 | -.17 | -.09 | -.17 | -.57 | -.37 | -.51 | -- | -.64 | .99 |

Table E-71

The following tables present a compilation of the responses to a questionnaire on Reorganization Legislation. After reviewing the legislative profiles for each state (reported in Part 1 of this study), this questionnaire was developed to gather information regarding specific types of legislation having an impact on school district reorganization.

The information is tabulated in the following manner. For the first six items a specific question was asked calling for a Yes or No answer. This was followed by a second question calling for an opinion as to whether the statutory feature encouraged, discouraged or had no effect on school district reorganization. Some respondents indicated that the feature both encouraged and discouraged. The reply to the first six items is tabulated by writing out the question, the answers Yes or No, and the opinion choice indicated.

Question Number 7 calls for a Yes or No answer but also requests a written response from those states answering Yes. For tabulation purposes, the written response will be presented for those states answering Yes.

Question Number 8 also calls for a written response regarding pertinent legislation or State Department regulations that encourage or discourage school district reorganization, not covered by the questionnaire. Answers to this question are presented in narrative fashion for those states specifically citing such provisions.

Table E-71 Continued

| | Question Number I<br>Are all newly employed public school teachers in the state covered by the same Retirement Program? In your opinion what effect has your state's retirement law had on school district reorganization? | | Question Number 2<br>Is the Tenure or Continuing Contract Law for teachers uniform throughout the state? In your opinion what effect has your state's tenure law had on school district reorganization? | |
|---|---|---|---|---|
| California | No | No Effect | Yes | No Effect |
| Colorado | Yes | Encouraged | Yes | Encouraged |
| Indiana | Yes | No Effect | Yes | Encouraged |
| Iowa | No | No Effect | Yes | No Effect |
| Maine | Yes | No Effect | Yes | No Effect |
| Michigan | No | No Effect | Yes | No Effect |
| Minnesota | No | No Effect | No | No Effect |
| Mississippi | Yes | No Effect | No | Tenure Law |
| Nebraska | Yes | No Effect | Yes | No Effect |
| New Hampshire | Yes | No Effect | No | Tenure Law |
| New York | Yes | No Effect | Yes | No Effect |
| Oregon | No | No Effect | No | No Effect |
| Pennsylvania | Yes | No Effect | Yes | Encouraged |
| South Carolina | Yes | No Effect | Yes | No Effect |
| Utah | Yes | No Effect | Yes | No Effect |
| Wisconsin | No | No Effect | No | No Effect |

Table E-71 Continued

| | Question Number 3<br>Are teacher certification laws uniform throughout the state? In your opinion, what effect has your state's certification laws had on school district reorganization? | | Question Number 4<br>Does your state have a provision where the Bonded Indebtedness of a former district may be assumed by a new district? In your opinion what has your state's laws on the assumption of bonded indebtedness had on school district reorganization? | |
|---|---|---|---|---|
| California | Yes | No Effect | Yes | No Effect |
| Colorado | Yes | Encouraged | Yes | Encouraged |
| Indiana | Yes | No Effect | Yes | No Effect |
| Iowa | Yes | Encouraged | Yes | No Effect |
| Maine | Yes | No Effect | Yes | Encouraged |
| Michigan | Yes | No Effect | Yes | Encouraged and Discouraged |
| Minnesota | Yes | No Effect | Yes | Discouraged |
| Mississippi | Yes | No Effect | Yes | Discouraged |
| Nebraska | Yes | No Effect | Yes | No Effect |
| New Hampshire | Yes | No Effect | Yes | Encouraged |
| New York | Yes | No Effect | Yes | No Effect |
| Oregon | Yes | No Effect | Yes | No Effect |
| Pennsylvania | Yes | No Effect | Yes | Encouraged |
| South Carolina | Yes | No Effect | Yes | Encouraged |
| Utah | Yes | No Effect | Yes | No Effect |
| Wisconsin | Yes | No Effect | Yes | No Effect |

Table E-71 Continued

| | Question Number 5<br>Is there any provision in your state's Foundation Program for Equalization that specifically applies to school reorganization? In your opinion what effect has your state's Foundation Program had on school district reorganization? | | Question Number 6<br>Does your state have any provisions that would grant special state aid or principal or interest incurred for debt from School Building Construction resulting from school district reorganization? In your opinion what effect has your state's law or building aids had on school district reorganization? | |
|---|---|---|---|---|
| California | Yes | Both Encouraged and Discouraged | Yes | No Effect |
| Colorado | Yes | Encouraged | No | No Effect |
| Indiana | Yes | Encouraged | Yes | Encouraged |
| Iowa | No | No Effect | No | No Effect |
| Maine | Yes | Encouraged | Yes | Encouraged |
| Michigan | No | Discouraged | No | Discouraged |
| Minnesota | Yes | Discouraged | No | No Effect |
| Mississippi | Yes | No Effect | Yes | Encouraged |
| Nebraska | No | No Effect | No | No Effect |
| New Hampshire | Yes | Encouraged | Yes | Encouraged |
| New York | No | Encouraged | Yes | Encouraged |
| Oregon | No | No Effect | No | No Effect |
| Pennsylvania | No | Both Encouraged and Discouraged | No | No Effect |
| South Carolina | No | No Effect | Yes | Encouraged |
| Utah | No | Encouraged | No | No Effect |
| Wisconsin | Yes | Encouraged | No | Discouraged |

Table E-71 Continued

| | Question Number 7<br>Has any Federal Legislation or Court Decisions had an influence on school district reorganization in your state?<br>(Only Yes answers recorded) |
|---|---|
| California | Supreme Court decision on integration. The State Board of Education considers integration an important factor in reorganization, especially in territory where it is proposed to divide a high school district into two or more unified districts. |
| Michigan | Not directly. However, some programs (i.e. Title III, Summer School, Media Centers) which required cooperation between districts, laid the groundwork for later consolidation. |
| Mississippi | The contact person felt that Federal decisions on integration had little effect on reorganization itself up to this time but predicted more influence in the future. |
| Pennsylvania | The State Supreme Court declared Act 299, which is the state's school district reorganization law, constitutional. |
| South Carolina | Civil Rights Act of 1964. |

Table E-71 Continued

| | Question Number 8<br>In your opinion has any pertinent legislation or State Department regulation been omitted in this questionnaire that has either encouraged or discouraged school district reorganization? |
|---|---|
| California | A. Other legislation encouraging reorganization: None |
| | B. Other legislation discouraging reorganization: Legislation discourages reorganization in territory where districts are wealthy and at the same time are given basic aid hence able to operate on less than average tax rate. |
| Colorado | A. Other legislation encouraging reorganization: Chapter 123, Article 25, Colorado Revised Statutes 1963. School District Reorganization Act. |
| | B. Other legislation discouraging reorganization: None |
| Indiana | A. Other legislation encouraging reorganization: School Reorganization Act of 1959 had biggest impact. |
| | B. Other legislation discouraging reorganization: None |
| Iowa | A. Other legislation encouraging reorganization: None |
| | B. Other legislation discouraging reorganization: None |
| Maine | A. Other legislation encouraging reorganization: None |
| | B. Other legislation discouraging reorganization: None |
| Michigan | A. Other legislation encouraging reorganization: Governor's Educational Reform Commission. |
| | B. Other legislation discouraging reorganization: None |
| Minnesota | A. Other legislation encouraging reorganization: Ch. 769, Laws of 1967, Subd. 2, sub-paragraph one, at least below holding tuition for maintenance to cost or 14% of the "A" formula amount. |
| | B. Other legislation discouraging reorganization: Ch. 71, Laws of 1959, Section 15 (M.S. 124.15). On reduction of aid permitted by the Commissioner for violations of regulations. This law made it nearly impossible to suspend aid since repeated warnings were required as well as time to correct any violation. This has been used by districts told their school was too small to keep operating year after year in the force of repeated |

Table E-71 - Question 8

| | | |
|---|---|---|
| Minnesota continued | | warnings. M.S. 124.18 - Permitted high school districts to collect "full cost" for tuition students. High school districts have been able to collect more in tuition from a non-resident student than the aid that would be received if the student became a resident. |
| Mississippi | A. | Other legislation encouraging reorganization: None |
| | B. | Other legislation discouraging reorganization: None |
| Nebraska | A. | Other legislation encouraging reorganization: None |
| | B. | Other legislation discouraging reorganization: Class II districts have grown to provide grades 9-12 for Class I, rural districts. These are often inadequate high schools that umbrella inadequate elementary districts. |
| New Hampshire | A. | Other legislation encouraging reorganization: Incentive aid provision for formulation of supervisory unions. |
| | B. | Other legislation discouraging reorganization: None |
| Oregon | A. | Other legislation encouraging reorganization: ORS 335.495 - Unification of Union High School by extending program of the high school downward to include all grades, 1 thru 12. ORS 330.587 - Same voting procedure as extending program downward where Union High School is proposed as administrative district. (Old law required majority vote in each district and a plurality of combined districts only). |
| | B. | Other legislation discouraging reorganization: None |
| Pennsylvania | A. | Other legislation encouraging reorganization: None |
| | B. | Other legislation discouraging reorganization: None |
| South Carolina | A. | Other legislation encouraging reorganization: None |
| | B. | Other legislation discouraging reorganization: None |
| Wisconsin | A. | Other legislation encouraging reorganization: Section 22.05 of Chapter 211, Laws of 1967 authorized the establishment of a Department of Local Affairs and Developments which functions in an advisory capacity in coordinating local community development programs. Although this department has no direct relationship or responsibility concerning the status of school district organization, there exists a close interdepartmental relationship between the Department and the Reorganization Division in interpreting and assessing the potential educational development of a community. This has added a new |

5

Table E-71 - Question 8

| | |
|---|---|
| Wisconsin continued | dimension to the thrust advancing the reorganization movement in Wisconsin. |
| | B. Other Legislation discouraging reorganization: Section 24 of Chapter 209, Laws of 1967 had a marked effect on school district reorganization by assuring the same classification status for state financial support for the 1967-68 and 1968-69 school years as it received for the 1966-67 school year. |

Table E-72

This table was developed from the responses given to the interview questions on Financial Factors. Basically each question was asked in terms of whether or not a certain factor was present in the state. These responses have been reported as Yes or No. Next, the respondents were questioned as to whether the factor encouraged or discouraged school district reorganization in the state. In some instances the respondents chose to respond by indicating that the factor had no effect or that it both encouraged and discouraged reorganization depending on certain circumstances.

In tabulating this section, the factor will be listed with a Yes or No response. The opinion as to its effect on reorganization will be tabulated as Encourage, Discourage, No Effect or Both Encourage and Discourage. Special attention is given to those responses indicating that the same factor may Encourage and Discourage reorganization.

Table E-72 Continued

| | Factor 1 | | Factor 2 | | Factor 3 | |
|---|---|---|---|---|---|---|
| | "No Loss Clause" | | Minimum Program Standards Resulting in Loss or Gain in Aid | | Sparsity-Density Factor | |
| California | No | No Effect | Yes | No Effect | Yes | Discourage |
| Colorado | No | No Effect | Yes | Encourage | Yes | No Effect |
| Indiana | Yes | Encourage | Yes | No Effect | No | No Effect |
| Iowa | No | No Effect | Yes | No Effect | Yes | Discourage |
| Maine | Yes | Encourage | No | No Effect | No | No Effect |
| Michigan | Yes | Encourage | No | No Effect | No | No Effect |
| Minnesota | No | No Effect | No | No Effect | No | No Effect |
| Mississippi | Yes | Encourage | Yes | No Effect | Yes | No Effect |
| Nebraska | No | No Effect | Yes | Encourage | Yes | Too early to tell |
| New Hampshire | Yes | Encourage | Yes | No Effect | No | No Effect |
| New York | Yes | Encourage | Yes | No Effect | Yes | Discourage |
| Oregon | No | No Effect | Yes | No Effect | Yes | No Effect |
| Pennsylvania | Yes | Encourage | No | No Effect | Yes | Both Encouraged and Discouraged |
| South Carolina | No | No Effect | Yes | Encourage | No | No Effect |
| Utah | No | No Effect | Yes | No Effect | No | No Effect |
| Wisconsin | Yes | Discourage | Yes | Encourage | No | No Effect |

Table E-72 Continued

| | Factor 4 | | Factor 5 | | Factor 6 | |
|---|---|---|---|---|---|---|
| | Small District Penalty | | Minimum Size Standards Resulting in Loss or Gain in Aid | | Tuition Payments | |
| California | No | No Effect | No | No Effect | Yes | No Effect |
| Colorado | No | No Effect | No | No Effect | Yes | Not Available |
| Indiana | No | No Effect | Yes | No Effect | Yes | No Effect |
| Iowa | No | No Effect | Yes | Discourage | Yes | Discourage |
| Maine | No | No Effect | No | No Effect | Yes | Discourage |
| Michigan | No | No Effect | No | No Effect | Yes | Discourage |
| Minnesota | No | No Effect | Yes | Discourage | Yes | Discourage |
| Mississippi | No | No Effect | No | No Effect | No | No Effect |
| Nebraska | No | No Effect | No | No Effect | Yes | Discourage |
| New Hampshire | No | No Effect | No | No Effect | Yes | Discourage |
| New York | No | No Effect | No | No Effect | No | No Effect |
| Oregon | No | No Effect | No | No Effect | Yes | Discourage |
| Pennsylvania | No | No Effect | No | No Effect | No | No Effect |
| South Carolina | No | No Effect | Yes | Discourage | No | No Effect |
| Utah | No | No Effect | No | No Effect | No | No Effect |
| Wisconsin | No | No Effect | No | No Effect | No | No Effect |

Table E-72 Continued

| | Factor 7 | | Factor 8 | | Factor 9 | |
|---|---|---|---|---|---|---|
| | Special Education Aid | | Distressed District Aid | | Transportation Aid | |
| California | Yes | No Effect | Yes | No Effect | Yes | No Effect |
| Colorado | Yes | No Effect | Yes | No Effect | Yes | Encourage |
| Indiana | Yes | No Effect | Yes | No Effect | Yes | Discourage |
| Iowa | Yes | No Effect | No | No Effect | Yes | Encourage |
| Maine | Yes | No Effect | Yes | No Effect | Yes | Encourage |
| Michigan | Yes | No Effect | Yes | Discourage | Yes | Encourage |
| Minnesota | Yes | No Effect | Yes | Encourage | Yes | Encourage |
| Mississippi | Yes | No Effect | No | No Effect | Yes | No Effect |
| Nebraska | Yes | No Effect | No | No Effect | Yes | No Effect |
| New Hampshire | Yes | No Effect | No | No Effect | No | No Effect |
| New York | Yes | Discourage | Yes | Encourage | Yes | Encourage |
| Oregon | Yes | No Effect | No | No Effect | Yes | No Effect |
| Pennsylvania | Yes | No Effect | Yes | Encourage | Yes | Encourage |
| South Carolina | Yes | Encourage | No | No Effect | Yes | Encourage |
| Utah | Yes | No Effect | No | No Effect | Yes | No Effect |
| Wisconsin | Yes | Effect | Yes | Encourage | Yes | Encourage |

Table E-72 Continued

| | Factor 10 | | Factor 11 | | Factor 12 | |
|---|---|---|---|---|---|---|
| | School Building Aid for Reorganized Districts | | Supplemental Aid For Reorganized Districts | | Preferential Treatment of Certain Classes of Real Property | |
| California | Yes | No Effect | Yes | Both Encouraged and Discouraged | No | No opinion asked |
| Colorado | No | No Effect | No | No Effect | Yes | No opinion asked |
| Indiana | Yes | Encourage | No | No Effect | No | No opinion asked |
| Iowa | No | No Effect | No | No Effect | No | No opinion asked |
| Maine | Yes | Encourage | Yes | Encourage | No | No opinion asked |
| Michigan | No | Discourage | No | No Effect | No | No opinion asked |
| Minnesota | No | No Effect | No | No Effect | Yes | No opinion asked |
| Mississippi | Yes | Encourage | No | No Effect | Yes | No opinion asked |
| Nebraska | No | No Effect | No | No Effect | No | No opinion asked |
| New Hampshire | Yes | Encourage | Yes | Encourage | Yes | No opinion asked |
| New York | Yes | Encourage | Yes | Encourage | No | No opinion asked |
| Oregon | No | No Effect | No | No Effect | Yes | No opinion asked |
| Pennsylvania | Yes | No Effect | Yes | No Effect | No | No opinion asked |
| South Carolina | Yes | Encourage | No | No Effect | No | No opinion asked |
| Utah | Not Applicable | | Not Applicable | | No | No opinion asked |
| Wisconsin | No | Discourage | No | Discourage | No | No opinion asked |

Table E-72 Continued

Factor 13

| | Other Financial Factors | |
|---|---|---|
| California | None | |
| Colorado | None | |
| Indiana | Yes | Transfer policy both encourages and discourages |
| Iowa | None | |
| Maine | Yes | Indicated the very fact of inflation has encouraged reorganization. |
| Michigan | Yes | Vocational education programs have promoted reorganization of small districts. |
| Minnesota | None | |
| Mississippi | Yes | Incentive grant in equalizing costs. Because of reorganization, if local effort is increased more state aid is given. |
| Nebraska | None | |
| New Hampshire | None | |
| New York | None | |
| Oregon | None | |
| Pennsylvania | None | |
| South Carolina | None | |
| Utah | None | Utah has had no reorganization activity. |
| Wisconsin | None | |

# Special Study Satellite Projects

Special
Study No.

1. EARLY CHILDHOOD AND BASIC ELEMENTARY AND SECONDARY EDUCATION -- Needs, Programs, Demands, Costs
   William P. McLure and Audra May Pence
2. EDUCATIONAL PROGRAMS FOR EXCEPTIONAL CHILDREN: Resource Configurations and Costs
   Richard A. Rossmiller, James A. Hale and Lloyd E. Frohreich
3. EDUCATIONAL PROGRAMS FOR THE CULTURALLY DEPRIVED -- Need and Cost Differentials
   Arvid J. Burke, James A. Kelly and Walter I. Garms
4. FINANCING VOCATIONAL EDUCATION IN PUBLIC SCHOOLS
   Erick L. Lindman and Arthur Berchin
5. ADULT AND CONTINUING EDUCATION: Needs, Programs and Costs
   J. Alan Thomas
6. THE COMMUNITY JUNIOR COLLEGE: Target Population, Program Costs, and Cost Differentials
   James L. Wattenbarger, Bob N. Cage and L. H. Arney
7. FINANCING PUBLIC ELEMENTARY AND SECONDARY SCHOOL FACILITIES IN THE UNITED STATES
   W. Monfort Barr, K. Forbis Jordan, C. Cale Hudson, Wendell J. Peterson and William R. Wilkerson
8. SCHOOL FOOD SERVICE AND NUTRITION EDUCATION—Status, Needs, Projections, Costs—
   Robert J. Garvue, Thelma G. Flanagan and William H. Castine
9. PUPIL TRANSPORTATION
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10. FISCAL CAPACITY AND EDUCATIONAL FINANCE: Variations Among States, School Districts and Municipalities
    Richard A. Rossmiller, James A. Hale and Lloyd E. Frohreich
11. THE RELATIONSHIP OF SCHOOL DISTRICT REORGANIZATION TO STATE AID DISTRIBUTION SYSTEMS
    Clifford P. Hooker and Van D. Mueller